

Press Release

27 February 2025

Results for the year ended 31 December 2024

Key points

Increasingly diversified range of alternative and long-only investment strategies drives \$10.9 billion of positive investment performance for clients

- AUM¹ of \$168.6 billion as at 31 December 2024 (31 December 2023: \$167.5 billion)
- Relative investment performance^[KPI] of +1.0%, with 5.9% outperformance in the long-only category
- Net outflows of \$3.3 billion, driven by the \$7.0 billion single client redemption in Q3

Core management fee EPS (diluted) growth^[KPI] of 17% highlights the strengths of our business model

- Core net management fee revenue increased by 14% to \$1,097 million (2023: \$963 million)
- Core performance fees of \$310 million from a broad range of strategies and solutions (2023: \$180 million)
- Statutory profit of \$298 million (2023: \$234 million) and core profit before tax of \$473 million (2023: \$340 million)
- Statutory EPS (diluted) of 25.1¢ (2023: 19.4¢) and core EPS (diluted)^[KPI] of 32.1¢ (2023: 22.4¢)

Consistent shareholder returns in line with our disciplined capital policy; strong balance sheet to support our long-term growth ambitions

- Recommended final dividend of 11.6¢, resulting in a total dividend for 2024 of 17.2¢ (2023: 16.3¢)
- Net tangible assets of \$867 million as at 31 December 2024 (31 December 2023: \$782 million)
- Intention to repurchase up to \$100 million of shares

Good progress against our multi-year strategic priorities – to diversify our investment capabilities, to extend our reach with clients around the globe and to leverage our strengths in talent and technology – including:

- Continued growth of our credit platform: AUM of \$35.0 billion (31 December 2023: \$28.3 billion), with \$5.9 billion of net inflows into discretionary long-only credit and the successful launch of a new US direct lending offering
- In quant equities, 7.6% relative investment performance from the systematic long-only category; continued investments in data and execution technology to support our ambitions in mid-frequency equities
- Resources reallocated across the firm to ensure increased focus on our growth initiatives while reinforcing the core strengths of our business

Robyn Grew, Chief Executive Officer of Man Group, said:

“Following my first full year as CEO, I’m pleased to report a strong set of results for 2024. In another volatile year for markets, we delivered good performance for our clients, with all our product categories contributing positively. The strides we have made in diversifying our business underpinned \$310 million of core performance fees despite a muted contribution from trend-following strategies, and 17% growth in core management fee EPS. With a lot of hard work and focus during the year, we also made good progress on several of our multi-year strategic priorities that will continue to strengthen our firm for the future.

“We see significant opportunities on the horizon in 2025. Stretched equity valuations and the risk of persistent inflation in the US suggest that allocators will increasingly seek uncorrelated investment strategies, while higher-for-longer interest rates are likely to support continued growth in credit markets. As the challenges facing investors become more complex, the demand for customised, scalable and differentiated solutions will only increase. There’s a huge amount to play for as a diversified alternative investment manager with exceptional talent and cutting-edge technology; we are in prime position to partner with our clients and help them successfully navigate what lies ahead.”

This document should be read in conjunction with the content and definitions included in the 2024 Annual Report.

‘Core’ measures are alternative performance measures. For a detailed description of our alternative performance measures, including non-core items, please refer to pages 61 to 67. For details of key performance indicators ([KPI]), refer to page 11.

1. Assets under management.

Summary financials

<i>\$ millions, unless otherwise stated</i>	Year ended 31 Dec 2024	Year ended 31 Dec 2023	Change
AUM, end of period	\$168.6bn	\$167.5bn	1%
Core net management fee revenue	1,097	963	14%
Core performance fees	310	180	72%
Core net revenue¹	1,459	1,196	22%
Core management fee profit before tax	323	280	15%
Core performance fee profit before tax	150	60	150%
Core profit before tax	473	340	39%
Statutory profit	298	234	27%
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Core management fee EPS (diluted)	21.5	18.4	17%
Core EPS (diluted)	32.1	22.4	43%
Statutory EPS (diluted)	25.1	19.4	29%
Dividend per share	17.2	16.3	6%

Conference call and presentation

There will be a presentation by the management team at 08.30am (London) on 27 February 2025 at Riverbank House, 2 Swan Lane, London, EC4R 3AD, along with a live webcast, which will also be available on demand later in the day. A copy of the presentation will be available on the investor relations section of www.man.com from 08.25am. We recommend connecting to the meeting 5-10 minutes prior to the start time. To ask a question during the Q&A session you will need to access the meeting via the link below.

The conference call can be accessed at:

<https://mangroup.webex.com/mangroup/j.php?MTID=m56de74be068c721221c27f94d7f832f0>

Webinar number (and access code): 2372 381 2323

Webinar password: ManFY2024Results (62639203 from a phone or video system)

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1. Includes core gains on investments and core rental income.

Capital returns

Man Group's capital allocation policy is disciplined and intended to deliver attractive shareholder returns while supporting the future growth of the business. Our aim is to increase the annual dividend per share progressively over time, reflecting the firm's underlying earnings growth and free cash flow generation while maintaining a prudent balance sheet. We then look to invest in organic and inorganic initiatives that align with our strategic priorities, to drive long-term value creation for our shareholders. Finally, any remaining available capital is returned over time, through share repurchases when advantageous.

In line with this policy, the Board has confirmed it will recommend a final dividend of 11.6¢ per share for the financial year ended 31 December 2024, resulting in a total dividend of 17.2¢ per share. We will fix and announce the US dollar to sterling dividend currency conversion rate on 9 May 2025, in advance of payment. This is in addition to the \$50 million share repurchase programme announced and completed in 2024, and the intention to repurchase a further \$100 million of shares.

Dates for the 2024 final dividend

Ex-dividend date	10 April 2025
Record date	11 April 2025
Final election date for Dividend Reinvestment Plan (DRIP) ¹	29 April 2025
Sterling conversion date	09 May 2025
Payment date	21 May 2025

Forward-looking statements and other important information

This document contains forward-looking statements with respect to the financial condition, results, and business of Man Group plc. By their nature, forward-looking statements involve risk and uncertainty and there may be subsequent variations to estimates. Man Group plc's actual future results may differ materially from the results expressed or implied in these forward-looking statements.

The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement. Nothing in this announcement should be construed as or is intended to be a solicitation for or an offer to provide investment advisory services or to invest in any investment products mentioned herein.

This announcement contains inside information.

The person responsible at the Company for the release of this announcement for the purposes of UK MAR is Antoine Forterre, Chief Financial Officer.

About Man Group

Man Group is a global alternative investment management firm focused on pursuing outperformance for sophisticated clients via our Systematic, Discretionary and Solutions offerings. Powered by talent and advanced technology, our single and multi-manager investment strategies are underpinned by deep research and span public and private markets, across all major asset classes, with a significant focus on alternatives. Man Group takes a partnership approach to working with clients, establishing deep connections and creating tailored solutions to meet their investment goals and those of the millions of retirees and savers they represent.

Headquartered in London, we manage \$168.6² billion and operate across multiple offices globally. Man Group plc is listed on the London Stock Exchange under the ticker EMG.LN and is a constituent of the FTSE 250 Index. Further information can be found at www.man.com.

1. A DRIP is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.
2. At 31 December 2024. All investment management and advisory services are offered through Man Group affiliated regulated investment managers.

Assets under management¹

AUM movements for the year ended 31 December 2024

\$bn	AUM at 31 Dec 2023	Net flows	Investment performance	Other ²	AUM at 31 Dec 2024
Absolute return	47.7	(0.7)	0.3	(2.0)	45.3
Total return	42.5	0.6	0.5	(2.1)	41.5
Multi-manager solutions	19.4	(3.9)	0.2	(1.3)	14.4
Alternative	109.6	(4.0)	1.0	(5.4)	101.2
Systematic long-only	36.5	(4.9)	7.3	(0.3)	38.6
Discretionary long-only	21.4	5.6	2.6	(0.8)	28.8
Long-only	57.9	0.7	9.9	(1.1)	67.4
Total	167.5	(3.3)	10.9	(6.5)	168.6

AUM movements for the three months ended 31 December 2024

\$bn	AUM at 30 Sep 2024	Net flows	Investment performance	Other ²	AUM at 31 Dec 2024
Absolute return	47.5	0.2	(0.3)	(2.1)	45.3
Total return	45.0	(1.0)	(0.8)	(1.7)	41.5
Multi-manager solutions	16.0	(1.2)	0.0	(0.4)	14.4
Alternative	108.5	(2.0)	(1.1)	(4.2)	101.2
Systematic long-only	37.1	2.3	0.2	(1.0)	38.6
Discretionary long-only	29.3	1.0	0.3	(1.8)	28.8
Long-only	66.4	3.3	0.5	(2.8)	67.4
Total	174.9	1.3	(0.6)	(7.0)	168.6

1. At 31 December 2024, total AUM excludes non-fee-paying committed capital of \$4.9bn (31 December 2023: \$3.1bn).

2. Includes the impact of foreign currency exchange rate fluctuations, performance-linked leverage movements, distributions and realisations (proceeds from maturities or disposals) across private market strategies, and capital returned to investors from CLO strategies.

AUM by product category

\$bn	31 Dec 2023	31 Mar 2024	30 Jun 2024	30 Sep 2024	31 Dec 2024
Absolute return	47.7	50.3	49.2	47.5	45.3
Institutional solutions ¹	16.2	17.4	17.1	16.1	15.7
Traditional trend-following	9.5	9.6	9.5	9.2	8.4
Multi-strategy quant	6.0	6.5	6.3	5.9	5.8
Discretionary equity	4.4	4.6	4.5	4.6	4.4
Alternative trend-following	5.4	5.3	4.8	4.6	4.1
Other ²	6.2	6.9	7.0	7.1	6.9
Total return	42.5	43.3	45.0	45.0	41.5
Multi-asset risk parity	14.2	15.2	16.2	16.7	15.0
Alternative risk premia	9.9	10.3	11.4	11.4	10.9
US direct lending	10.8	10.7	10.3	10.2	10.3
CLOs	3.6	3.4	3.4	3.0	2.5
Real estate	2.6	2.5	2.4	2.3	1.4
Other ³	1.4	1.2	1.3	1.4	1.4
Multi-manager solutions	19.4	17.7	16.1	16.0	14.4
Infrastructure and direct access	12.8	12.0	11.5	10.8	9.7
Segregated	6.1	5.3	4.3	4.7	4.2
Diversified and thematic FoHF	0.5	0.4	0.3	0.5	0.5
Systematic long-only	36.5	39.7	41.2	37.1	38.6
Global equity	20.7	22.5	24.0	18.4	19.6
Emerging markets equity	8.0	8.4	8.9	9.5	8.4
International equity	7.0	7.8	7.2	7.8	8.4
Fixed income	0.8	1.0	1.1	1.4	2.2
Discretionary long-only	21.4	24.7	26.7	29.3	28.8
Credit and convertibles	8.1	9.6	10.7	13.5	14.7
Japan equity	5.3	6.3	6.3	6.4	5.7
UK equity	4.1	4.4	5.0	4.9	4.5
Europe ex-UK equity	1.3	1.9	1.8	1.7	1.3
Emerging markets fixed income	1.0	0.9	0.9	1.0	0.9
Other ⁴	1.6	1.6	2.0	1.8	1.7
Total	167.5	175.7	178.2	174.9	168.6

1. Includes AHL Institutional Solutions, which invests into a range of AHL strategies including AHL Alpha, AHL Dimension and AHL Evolution, as well as other absolute return strategies.

2. Includes AHL other, Numeric absolute return and Discretionary credit absolute return strategies.

3. Includes Discretionary credit total return strategies.

4. Includes Discretionary equity and multi-asset long-only strategies.

Investment performance

		Return (net of fees)		Annualised return (net of fees)		
		3 months to 31 Dec 2024	12 months to 31 Dec 2024	3 years to 31 Dec 2024	5 years to 31 Dec 2024	Inception to 31 Dec 2024
Absolute return						
AHL Alpha	1	-0.2%	3.2%	5.0%	5.5%	9.9%
AHL Dimension	2	1.6%	3.1%	5.3%	3.0%	4.7%
AHL Evolution	3	-3.0%	-6.1%	0.7%	4.4%	10.9%
AHL Diversified	4	-2.0%	-0.6%	2.6%	4.4%	9.8%
Man Alpha Select Alternative	5	-0.1%	2.2%	5.7%	6.2%	4.8%
Man Event Driven Alternative	6	-1.6%	2.2%	3.4%	5.6%	5.7%
Man Strategies 1783	7	1.7%	14.5%	10.0%	-	6.9%
Total return						
Man TargetRisk	8	-2.8%	7.3%	0.7%	4.3%	7.6%
Man Alternative Risk Premia	9	-1.7%	8.4%	8.5%	5.2%	4.9%
Multi-manager solutions						
FRM Diversified II	10	-0.6%	4.4%	3.7%	5.0%	4.1%
Systematic long-only						
Numeric Global Core	11	0.3%	24.0%	9.1%	12.8%	11.4%
<i>Relative return</i>		0.5%	5.4%	2.8%	1.6%	1.0%
Numeric Emerging Markets Core	12	-4.5%	15.0%	1.0%	5.1%	5.6%
<i>Relative return</i>		3.5%	7.5%	3.0%	3.4%	2.6%
Numeric Europe Core	13	-2.4%	13.4%	6.0%	8.7%	8.9%
<i>Relative return</i>		0.3%	4.8%	1.6%	2.1%	2.3%
Discretionary long-only						
Man High Yield Opportunities	14	0.2%	11.9%	3.5%	6.5%	7.6%
<i>Relative return</i>		0.1%	4.4%	2.7%	4.7%	4.6%
Man Global Investment Grade Opportunities	15	0.2%	13.4%	7.9%	-	8.0%
<i>Relative return</i>		1.7%	9.5%	8.8%	-	9.0%
Man Japan CoreAlpha Equity	16	9.1%	23.2%	24.1%	15.5%	6.7%
<i>Relative return</i>		3.6%	2.8%	9.4%	2.8%	2.0%
Man Undervalued Assets	17	0.1%	10.3%	9.6%	5.1%	7.4%
<i>Relative return</i>		0.5%	0.9%	3.8%	0.3%	1.7%
Man Continental European Growth	18	-6.4%	-1.7%	-1.4%	5.8%	8.8%
<i>Relative return</i>		-2.6%	-4.7%	-4.9%	-1.3%	2.8%
Indices						
HFRX Global Hedge Fund Index	19	0.2%	5.3%	1.2%	2.8%	
HFRI Fund of Funds Conservative Index	19	1.5%	6.6%	4.0%	5.2%	
HFRI Equity Hedge (Total) Index	19	1.4%	11.9%	3.8%	8.1%	
HFRX EH: Equity Market Neutral Index	19	1.3%	7.2%	3.8%	1.6%	
Barclay BTOP 50 Index	20	1.2%	5.5%	6.0%	6.6%	

Past performance is no indication of future results. Financial indices are used for illustrative purposes only and are provided for the purpose of making a comparison to general market data as a point of reference and should not be construed as a true comparison to the strategy.

The information herein is being provided solely in connection with this press release and is not intended to be, nor should it be construed or used as, investment, tax or legal advice, any recommendation or opinion regarding the appropriateness or suitability of any investment or strategy, or an offer to sell, or a solicitation of an offer to buy, an interest in any security, including an interest in any fund or pool described herein.

1. Represented by AHL Alpha plc from 17 October 1995 to 30 September 2012, and by AHL Strategies PCC Limited: Class Y AHL Alpha USD Shares from 1 October 2012 to 30 September 2013. The representative product was changed at the end of September 2012 due to the provisioning of fund liquidation costs in October 2012 for AHL Alpha plc, which resulted in a tracking error compared with other Alpha Programme funds. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used. Both track records have been adjusted to reflect the fee structure of AHL Alpha (Cayman) Limited - USD Shares. From 30 September 2013, the actual performance of AHL Alpha (Cayman) Limited - USD Shares is displayed.
2. Represented by AHL Strategies PCC Limited: Class B AHL Dimension USD Shares from 3 July 2006 to 31 May 2014, and by AHL Dimension (Cayman) Ltd - F USD Shares Class from 1 June 2014 until 28 February 2015 when AHL Dimension (Cayman) Ltd - A USD Shares Class is used. Representative fees of 1.5% Management Fee and 20% Performance Fee have been applied.
3. Represented by AHL Evolution Limited adjusted for the fee structure (2% p.a. management fee and 20% performance fee) from September 2005 to 31 October 2006; and by AHL Strategies PCC: Class G AHL Evolution USD from 1 November 2006 to 30 November 2011; and by the performance track record of AHL Investment Strategies SPC: Class E AHL Evolution USD Notes from 1 December 2011 to 30 November 2012. From 1 December 2012, the track record of AHL (Cayman) SPC: Class A1 Evolution USD Shares has been shown. All returns shown are net of fees.
4. Represented by Man AHL Diversified plc from 26 March 1996 to 29 October 2012, and by Man AHL Diversified (Guernsey) USD Shares – Class A from 30 October 2012 to date. The representative product was changed at the end of October 2012 due to legal and/or regulatory restrictions on Man AHL Diversified plc preventing the product from accessing the Programme's revised target allocations. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used.
5. Represented by Man Alpha Select Alternative IL GBP; AUM included within Discretionary equity under the absolute return product category.
6. Represented by Man Event Driven Alternative IN USD; AUM included within Discretionary equity under the absolute return product category.
7. Represented by Man Strategies 1783 Class F1 USD from the 31st January 2020 to the 31st December 2021 (0.50% p.a. management fee and 20% performance fee); and by Man Strategies 1783 Class A USD from the 1st January 2022 to the 31st August 2024 (2% p.a. management fee and 20% performance fee). From the 1st of September 2024 the performance of MAN STRATEGIES 1783 CL B2 USD is used, this has a 1.0% management fee and a performance fee of 15%, plus additional talent passthrough costs included within the underlying portfolio; AUM included within the corresponding underlying product category.
8. Represented by Man TargetRisk Class I USD.
9. Represented by Man Alternative Risk Premia SP - Class A USD.
10. Represented by FRM Diversified II Fund SPC - Class A USD ('the fund') until April 2018 then Class A JPY hedged to USD thereafter. However, prior to Jan 2004, FRM has created the FRM Diversified II pro forma using the following methodology: i) for the period Jan 1998 to Dec 2003, by using the returns of Absolute Alpha Fund PCC Limited - Diversified Series Share Cell ('AA Diversified - USD') adjusted for fees and/or currency, where applicable. For the period Jan 2004 to Feb 2004, the returns of the fund's master portfolio have been used, adjusted for fees and/or currency, where applicable. Post Feb 2004, the fund's actual performance has been used, which may differ from the calculated performance of the track record. There have been occasions where the 12-months' performance to date of FRM Diversified II has differed materially from that of AA Diversified. Strategy and holdings data relates to the composition of the master portfolio; AUM included within Diversified and thematic FoHF under the multi-manager solutions product category.
11. Performance relative to the MSCI World. This reference index is intended to best represent the strategy's universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index.
12. Performance relative to MSCI Emerging Markets. This reference index is intended to best represent the strategy's universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index.
13. Performance relative to the MSCI Europe (EUR). This reference index is intended to best represent the strategy's universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index; AUM included within International equity under the systematic long-only product category.
14. Represented by Man High Yield Opportunities I EUR. Relative return is shown vs ICE BofA Global High Yield Index (EUR, TR) Hedged benchmark; AUM included within Credit and convertibles under the discretionary long-only product category.
15. Represented by Man Global Investment Grade Opportunities I USD. Relative return is shown vs ICE BofA Global Large Cap Corporate Index (USD, TR) Hedged; AUM included within Credit and convertibles under the discretionary long-only product category.
16. Represented by Man Japan CoreAlpha Fund - Class C converted to JPY until 28 January 2010. From 1 February 2010 Man Japan CoreAlpha Equity Fund - Class I JPY is displayed. Relative return shown vs TOPIX (JPY, GDTR); AUM included within Japan equity under the discretionary long-only product category.
17. Represented by Man Undervalued Assets Fund - C Accumulation Shares. Relative return shown vs FTSE All Share (GBP, NDTR); AUM included within UK equity under the discretionary long-only product category.
18. Represented by Man Continental European Growth Fund Class C Accumulation Shares. Relative return shown vs FTSE World Europe Ex UK (GBP, GDTR); AUM included within Europe ex-UK equity under the discretionary long-only product category.
19. HFR1 and HFRX index performance over the past 4 months is subject to change.
20. The historical Barclay BTOP 50 Index data is subject to change.

Chief Executive Officer's review

Overview of the year

It has now been five years since Covid-19 first spread around the world and it seems every year since has been one of surprises and/or heightened volatility. 2024 has been no exception to this, but for the purpose of this report I have characterised it as a year of divergence, where US exceptionalism dominated the global narrative.

Equities continued to rally, driven by optimism around a potential soft landing for the US economy, the sustained momentum of the AI boom, and Trump's pro-business agenda. As a result, the S&P 500 gained 23%, reaching 57 new all-time highs during the year. Fixed income and currencies, however, experienced a more volatile and at times turbulent year; although the Fed cut interest rates three times, persistent inflation and oscillating expectations of monetary policy easing kept markets under pressure, with the 10-year US Treasury yield ending the year higher at 4.6%. The US dollar strengthened by 7% against an index of major currencies. Meanwhile, commodity markets were shaped by geopolitical disruptions and evolving supply-demand dynamics; energy markets in particular saw considerable fluctuations, driven by periods of escalation and hopes of de-escalation in the Middle East and Europe, unstable supply chains, and the health of the Chinese economy. Elections across more than 60 countries globally and a challenging environment for incumbents added to market uncertainty throughout.

Against this backdrop, and following my first full year as CEO, I am proud to report solid financial results for 2024. These results highlight the strides we have made in diversifying our business, our commitment to collaborating with sophisticated investors to address their most complex challenges, and the outstanding quality of our talent, technology and institutional resources.

We generated investment performance of \$10.9 billion during the year, with all our product categories contributing positively. Our absolute return strategies gained 1.1%, with particularly notable returns from our multi-strategy offering Man 1783 (+14.5%). The strategy benefits from unconstrained access to c.75 discretionary and systematic capabilities across the firm, and its performance during the year is a great reflection of the breadth of high-quality investment content that we have to offer.

After an excellent start to the year, gains in our trend-following strategies were impacted by range-bound fixed income markets. This proved challenging to navigate, as shifting expectations for the future path of interest rates resulted in a lack of sustained trends and increased the frequency of reversals. Nonetheless, AHL Alpha (+3.2%) finished the year in positive territory. It was a more difficult year for alternative trend-following in general and the AHL Evolution strategy, which returned -6.1%, was no exception to this. Trends in alternative markets were weaker and shorter in 2024, which is reflected in the frequency with which AHL Evolution's exposures reversed over the course of the year. Commodity and fixed income markets generated the bulk of the losses, offsetting gains made in equities and credit. Meanwhile, our total return strategies gained 5.1% overall, as Man TargetRisk (+7.3%) once again demonstrated its ability to navigate macroeconomic shifts and adapt swiftly to volatile market conditions. Man Alternative Risk Premia (+8.4%) also delivered strong returns during the year, highlighting our judicious approach to portfolio construction and risk management. Positive momentum in equity markets, together with strong security selection, also resulted in gains of 16.8% across our systematic long-only strategies and 12.5% across our discretionary long-only strategies.

On an asset-weighted basis, relative investment performance across the firm was positive in 2024. This outperformance was driven primarily by our long-only strategies (+5.9%), with particularly impressive results from the Man Numeric range. Man Japan CoreAlpha also continued its strong run of performance; over the past three years, the strategy has delivered returns 9.4% above the TOPIX, net of fees, on an annualised basis. These outcomes really highlight the value of active investment management in the long-only equities space. Our credit strategies also performed particularly strongly, with Man High Yield Opportunities and Man Global Investment Grade Opportunities strategies returning 4.4% and 9.5% above their respective benchmarks during 2024. The breadth of long-only strategies generating outperformance not only highlights the expertise and skill of our investment teams, but also emphasises the value of our increasingly diversified range of investment strategies and solutions, as well as our commitment to continuously innovate and evolve to meet the needs of our clients. Overall underperformance within alternatives was largely attributable to AHL Evolution, as its indices are predominantly composed of traditional trend-followers.

On the distribution side, although 2024 remained a challenging period for fundraising in the asset management sector, we continued to make progress building deep and long-term relationships with asset allocators and third-party distributors around the globe. This has helped ensure that client activity remained strong throughout the year, with total gross inflows of \$43.9 billion (2023: \$30.2 billion); our second best year on record. I am pleased to report that we experienced particularly strong demand for our discretionary long-only credit strategies, where total AUM increased by \$6.6 billion, or 81%, over the period, in line with one of our strategic priorities. It was also pleasing to see our clients commit over \$500 million to Man Varagon's recently launched evergreen private credit strategy. This serves as a strong example of our ability to add new capabilities and deepen relationships by staying relevant to our clients.

We did, however, see an increase in redemptions during the year, as institutional clients faced the combined challenges of macroeconomic and geopolitical pressures on their portfolios, alongside lower-than-expected realisations from private equity allocations. Most notably, our net flows were impacted by a \$7 billion redemption from a single client in systematic long-only, following the strategic decision to switch their entire equities allocation to a passively managed index-based portfolio, and \$3.9 billion of outflows from low margin managed account mandates in the multi-manager solutions category. As a result, net flows overall were \$(3.3) billion for the period.

Positive investment performance was offset by net outflows and negative other movements of \$6.5 billion; these relate primarily to \$3.8 billion of adverse FX impacts owing to US dollar strength and \$2.1 billion of maturities following the ongoing wind-down of our US single family rental real estate business and capital returned from CLO strategies. Total AUM as at 31 December 2024 was \$168.6 billion, which is broadly flat compared with 31 December 2023. Core net management fees¹ were higher at \$1,097 million (2023: \$963 million), while core performance fees also increased to \$310 million (2023: \$180 million) despite a below average year for performance in our trend-following strategies. This reflects the underlying performance fee earning potential of the diversified business we have built over the past few years. Continued cost discipline resulted in growth in core profitability, increasing core earnings per share (diluted) to 32.1 cents (2023: 22.4 cents) and statutory earnings per share (diluted) to 25.1 cents (2023: 19.4 cents).

1. Man Group's alternative performance measures are outlined on pages 61 to 67.

Progress against our priorities

Strong client relationships

I continue to spend considerable time with clients around the world, and one thing is clear: their challenges are becoming far more complex. In today's environment, investors require tailored solutions that deliver diversified, risk-adjusted returns, backed by long-term, strategic partners who are innovative, adaptable, and forward thinking.

Our global sales team of over 290 people remained focused on listening to and addressing our clients' needs. This commitment drove strong engagement throughout the year and although net flows were negative in 2024, relative net flows were +0.2%. We track this metric as it is a measure of our ability to attract and retain capital in comparison with our industry peers, and I am delighted that we continued to grow our market share for the fifth consecutive year. Our clients continue to have confidence in the quality of the strategies and solutions that we offer and that is of tremendous importance to us. The trend of clients investing across the firm also continued during the period; at the end of December, 48% of our AUM was from clients invested in four products or more, which has grown from 45% five years ago. This is testament to our ability to build lasting partnerships with allocators that extend beyond the traditional manager-client relationship, and provides the foundation to do more with our clients in the years to come.

Our distribution network is one of our greatest competitive advantages and a key driver of future growth. Expanding our presence in markets where we are underweight relative to the size of the opportunity remains a multi-year priority, and I am encouraged by the solid progress we have made over the past year. Our presence in North America has grown from 28% of AUM as at the end of 2019 to 36% at the end of 2024. We manage money for over 35 public plans and more than 130 other institutions and continue to expand into the wealth channel via retail partnerships and intermediary relationships. As I have said before, the growth of the wealth segment globally makes it a particularly attractive channel for us: we are able to combine our structuring expertise with our local relationships to develop high-quality, high-scale product offerings. We made encouraging progress during the year, forming a Global Wealth team and growing our AUM from wealth channels to \$45.9 billion (2023: \$36.6 billion), launching dedicated products for specific markets. Although a longer-term priority, we are already seeing good momentum with target clients in the insurance sector, underpinned by the specific capabilities we have invested in and the significant growth of our credit platform.

Innovative investment strategies

During 2024, we invested significant resources into diversifying our investment capabilities, particularly in credit, quant equity and solutions. Adding to the already significant breadth of what we offer strengthens our business further and the resilience of our financial results in 2024 illustrates this point. It diversifies our revenue streams, provides new opportunities for our people and creates multiple options for future growth. We need to keep innovating to meet the unique and evolving requirements of our clients.

I'm delighted with the progress we've made in building our credit platform. As of December, we managed \$35.0 billion in credit AUM across both alternative and long-only strategies, spanning liquid and private markets, supported by over 130 dedicated investment professionals. With the credit market becoming increasingly attractive to the world's largest institutions, we remain focused on expanding our existing capabilities while exploring opportunities to grow further – whether organically or inorganically. On the topic of acquisitions, the integration of Varagon is progressing smoothly, with fundraising efforts and product development plans on schedule.

Our ability to deliver solutions at scale continues to be a key differentiator. \$104.4 billion of our AUM is customised in some way and our Institutional solutions business - the most customised version of what we offer - has grown to \$15.7 billion as at 31 December 2024. We now run nearly 50 tailored solutions for strategically important allocators, as customisation and transparency are of ever-increasing importance to them. We are also prioritising adding new content to our solutions offering, and as part of this initiative have introduced pass-through fees for clients of Man 1783. These commercial terms bring us more in line with the market and give us the ability to attract the very best investment talent to deliver for our clients.

In 2024, we continued to invest in mid-frequency equities, a significant segment of the quant hedge fund market offering substantial alpha and diversification potential. In that context, it was pleasing to see our AHL StatArb strategy deliver 6.1% of gains for our clients. During the year, we accelerated investments in data and execution, where efficiency is critical to capturing more of the 'alpha' generated by our researchers. With our strong heritage in quant and longstanding track record, we approach our growth ambitions in this area from a position of strength and look forward to making further progress in 2025.

Efficient and effective operations

I cannot emphasise the strengths of our platform enough; thanks to early, continuous and significant investment in technology, we are able to deliver for the world's largest institutional investors. Put simply, this enables us to operate efficiently, flexibly, and at speed and scale, driving better outcomes for our clients and creating value for our shareholders. Our business model is designed to benefit from significant operating leverage, which enhances the potential for greater profitability as we grow.

2024 continued to bring a great deal of enthusiasm about the potential for AI to catalyse business productivity. You have heard us say before that this is not a new phenomenon for our business: AI has been a core part of what we do for over a decade, embedded across every aspect of our operations. From alpha research and portfolio construction to trading and operational workflows, we've leveraged AI to drive innovation and enhance decision-making. AI isn't just about automation for us – it's about human augmentation, enabling our people to achieve more. Our proprietary tools and tailored AI applications are empowering teams across the firm, with over 50% of the firm actively using ManGPT, while coding co-pilots and translation tools are delivering real boosts to productivity. AI is transforming how we operate, and our dedicated Enablement team is working closely with teams across the business to continuously push boundaries.

We also continue to deploy capital, organically and inorganically, in line with our strategic priorities, to drive future growth. Our seed capital programme remains key in supporting new launches; we seeded 13 new strategies across our business during the year, leaving our seed book at \$532 million as at 31 December 2024. This includes support for origination activities at Man Varagon via a warehouse facility, which serves as an excellent example of how we use our institutional resources to support new offerings. Throughout 2024, we maintained a deliberately disciplined approach to evaluating acquisition opportunities. While the M&A environment, particularly in private credit, is evolving, the rigour and discipline we apply in assessing opportunities remain unchanged.

People and culture

As an investment firm, our people and culture are fundamental to our ability to deliver for clients. Talent remains vital to the continued success of our business, and we are pleased to report a strong engagement score of 79% in our 2024 staff survey. To further strengthen our People function and ensure we continue to attract and retain top talent, we announced the appointment of Emma Holden as Chief People Officer in September last year. Emma joined us in December, bringing a wealth of experience and an excellent track record in building teams, managing complexity, and advising on strategy. The Executive Committee and I are very much looking forward to working with Emma.

Since becoming CEO, alongside Anne Wade as Chair, much attention has been given to us being the first women to lead Man Group since its founding in 1783. While this is undoubtedly a milestone, we see it as part of a broader journey towards building an industry that truly reflects the populations we serve. A diverse range of perspectives strengthens our business by fostering innovation, enhancing problem-solving, and delivering better outcomes for our clients. Our Drive initiatives, alongside learning and development opportunities, are enabling us to attract the best talent from a range of backgrounds and, just as importantly, ensure that this talent is supported to thrive and progress within the organisation. Through frequent collaboration with other firms and industry groups, we actively share best practices and embrace new ideas. Lastly, as a firm with a quant heritage, we also recognise the power of data in enriching how we care for our people and move our business forward. We are committed to transparency around our targets and to holding ourselves accountable.

Conclusion and outlook

As our teams have written, market predictions frequently miss the mark. What is clear, however, is that the risk of persistent inflation and the implications of new US leadership dynamics will drive market volatility, creating an attractive environment for active investment management. As one of the largest liquid alternative firms – with over 35 years of experience and a distinctive edge that comes from combining exceptional talent with cutting-edge technology – I am confident in our ability to capitalise on these opportunities.

We have one single role, which is to deliver investment performance to help our clients provide greater financial security to millions of people around the world. As I have said before, my aim for Man Group is to be indispensable to those sophisticated investors globally. In 2024, we continued to deliver investment performance ahead of our peers, advanced our strategic objectives that strengthen the firm, and generated solid profitability for our shareholders. Combined with our long-term track record, this reinforces my confidence that we are well positioned to deliver sustainable growth for our shareholders in the years to come.

Robyn Grew

Chief Executive Officer

Key performance indicators

Financial KPIs

Our financial KPIs illustrate and measure the relationship between the investment experience of our clients, our financial performance and the creation of shareholder value over time.

Relative investment performance

Why it matters

The asset-weighted performance of Man Group's strategies in comparison with peers gives an indication of the competitiveness of our investment performance compared with similar strategies offered by other investment managers.

How we performed

Relative investment outperformance of 1.0% in 2024 was driven by our long-only strategies. More information on our investment performance can be found on page 8.

Relative net flows

Why it matters

Relative net flows are a measure of our ability to attract and retain investor capital in comparison with our industry peers. Growth in the assets we manage for clients drives our financial performance via our ability to earn management and performance fees.

How we performed

Relative net flows in 2024 were 0.2%, reflecting our ability to attract and retain capital in line with our industry peers. This metric was impacted significantly by the \$7 billion single client redemption in Q3.

Core management fee EPS (diluted) growth¹

Why it matters

Core management fee EPS (diluted) growth in the year measures the overall effectiveness of our business model and reflects the value creation for shareholders from our earnings, excluding performance fees.

How we performed

Core management fee EPS (diluted) increased by 17% to 21.5¢. This was driven by continued growth in core net management fee revenue, partially offset by an increase in fixed costs to support growth initiatives.

Core EPS (diluted)¹

Why it matters

Core EPS (diluted) is a measure of the earnings that drive our cash flows. This metric includes core performance fee profits, which are generated through outperformance for our clients and a significant driver of total value creation for shareholders over time.

How we performed

Core EPS (diluted) increased by 43% to 32.1¢. This was driven by an increase in performance fees despite a challenging market environment for trend-following strategies.

1. Details of the calculation of our alternative performance measures are provided on pages 61 to 67.

Non-financial KPIs

Our non-financial KPIs reflect our core values; they demonstrate our commitment to our people, and to running our firm in a sustainable and responsible way as we grow.

Carbon footprint

Why it matters

In order to monitor our carbon footprint, we measure total market-based greenhouse gas emissions (tCO₂e) using the GHG Protocol guidance for the Scope 1, Scope 2, Scope 3 travel and Scope 3 (upstream) leased asset categories.

How we performed

Total carbon emissions increased by 3% in 2024, driven by further investment in the growth of our global business and our data centres.

Employee engagement

Why it matters

Each year, we conduct a staff survey to help us monitor and understand employee engagement and identify any areas for action. Alongside our engagement survey, we continue to provide various other mechanisms for our people to provide their feedback.

How we performed

Our 2024 staff survey recorded an engagement score of 79%, with a response rate of 84%.

Women in senior management roles

Why it matters

As part of our efforts to encourage greater diversity across the investment management industry, we measure the number of women in senior management positions at the firm. This is defined as those who are, or report directly to, members of our Executive Committee.

How we performed

The number of women in senior management roles has increased to 35%, exceeding our target of 32.5%.

ESG-integrated AUM

Why it matters

We understand that investors have their own views on ESG matters and, in line with our clients' needs, we seek to identify innovative responsible investment solutions to support their objectives. We calculate ESG-integrated AUM in line with the Global Sustainable Investment Alliance definition.

How we performed

ESG-integrated AUM has increased by 6% to \$62.6 billion in 2024.

Chief Financial Officer's review

Overview

Man Group's statutory diluted EPS increased to 25.1¢ from 19.4¢ in 2023 driven by growth in management fees, including a full year of revenue following the Varagon acquisition in 2023, and higher performance fee revenues.

Higher core net management fee revenue of \$1,097 million (2023: \$963 million), partially offset by an increase in fixed compensation and core other costs to support growth, drove an increase in core diluted management fee EPS to 21.5¢ for the year from 18.4¢ in 2023. Together with an increase of \$130 million in core performance fees, the resultant increase in profits led to core diluted EPS increasing to 32.1¢ from 22.4¢ in 2023.

We ended the year with AUM of \$168.6 billion, up from \$167.5 billion at the end of 2023. Strong investment performance, particularly in our long-only strategies, contributed an additional \$10.9 billion to AUM. This was partially offset by net outflows of \$3.3 billion, primarily from systematic long-only and multi-manager solutions, and negative other movements of \$6.5 billion, including \$3.8 billion of negative FX impact owing to the strength of the US dollar and \$2.1 billion of maturities relating to the ongoing wind-down of our US real estate business and capital returned from CLO strategies. Net outflows of \$4.9 billion in systematic long-only included a single client redemption of \$7.0 billion during Q3 at a net management fee margin of 21 basis points.

Management and other fees on a statutory basis increased by 14% to \$1,126 million for the year as a result of higher average AUM and the full-year contribution from Man Varagon. The average net management fee margin of 63 basis points for the year was in line with 2023.

The run rate net management fee margin at 31 December 2024 was 63 basis points, compared with 65 basis points at the end of 2023. This decrease was due to negative investment performance in higher margin absolute return strategies and net inflows into lower margin discretionary long-only strategies towards the end of the year. This drove a decrease in run rate core net management fee revenue to \$1,058 million at the end of the year from \$1,087 million at the end of 2023.

Statutory performance fee revenues of \$308 million increased from \$178 million in 2023, with both alternative and long-only strategies generating performance fees during the year. Our asset-weighted relative investment outperformance was 1.0% across all categories, compared with 1.6% in 2023. Core gains on investments of \$50 million, compared with \$48 million in 2023, were generated by mark-to-market gains across our seed book. An increase in core costs to \$963 million from \$835 million in 2023 was driven by higher performance fee-related variable compensation and higher fixed compensation costs reflecting the full-year impact of Man Varagon and continued investment in the business to drive our strategic priorities forward. This was partially offset by the impact of the weakening of sterling against the US dollar in the year.

Restructuring costs of \$22 million were incurred in 2024 following the amalgamation of our discretionary investment offerings early in the year, and a group-wide realignment of resources towards our strategic priorities towards the end of the year. These costs have been classified as non-core as they are non-recurring in nature.

Core rental income decreased from \$5 million in 2023 to \$2 million in 2024 as a result of the reclassification of leases with our Riverbank House sub-tenants to finance leases following an extension of the leases to the end of the head lease term. In 2024, we signed a further lease with a new sub-tenant that is treated as an operating lease. Substantially all of the space available for sub-let in Riverbank House is now occupied, with the majority of our sub-leases classified as finance leases, resulting in an ongoing reduction in core rental income. There is a partially offsetting increase in associated finance income from \$1 million in 2023 to \$3 million in 2024.

Total non-core items (excluding tax) increased from a net expense of \$61 million in 2023 to \$75 million in 2024, primarily due to the non-recurring restructuring costs of \$22 million and an increase of \$11 million in the revaluation of acquisition-related payables associated with non-controlling and rollover interests, partially offset by FX gains of \$6 million compared with losses of \$11 million in 2023. Costs associated with legal claims and a decrease in the gain on disposal of right-of-use lease assets were offset by the impact of non-recurring acquisition costs and the impairment of acquired intangibles in 2023. Non-core items include adjustments of \$28 million (2023: \$21 million) to the income statement charge relating to amounts payable to the Varagon sellers who remain members of senior management post-acquisition in order to adjust the expense recognised in the year to reflect the corresponding profits generated.

\$m	Year ended	Year ended
	31 December 2024	31 December 2023
Core net management fee revenue	1,097	963
Core performance fees	310	180
Core gains on investments	50	48
Core rental income	2	5
Core net revenue	1,459	1,196
Asset servicing costs	(67)	(58)
Core compensation costs	(684)	(595)
Core other costs	(199)	(179)
Net finance expense	(23)	(21)
Core other employment-related expenses	(10)	(2)
Third-party share of post-tax profits	(3)	(1)
Core profit before tax	473	340
Core management fee profit before tax	323	280
Core performance fee profit before tax	150	60
Non-core items (before tax)	(75)	(61)
Core profit	381	271
Statutory profit	298	234
Statutory EPS (diluted)	25.1¢	19.4¢
Core EPS (diluted)	32.1¢	22.4¢
Core management fee EPS (diluted)	21.5¢	18.4¢
Proposed dividend per share	17.2¢	16.3¢

We continue to be strongly cash-generative, with core cash flows from operations excluding working capital movements of \$502 million in the year. Our strong and liquid balance sheet allows us to continue to invest in the business in line with our strategic priorities to support our long-term growth prospects while enabling us to navigate periods of stress.

At 31 December 2024, we had net tangible assets of \$867 million, including \$225 million of cash (excluding amounts held by consolidated fund entities) and net of \$70 million of acquisition-related liabilities which begin to crystallise from 2028. We continue to invest heavily in technology to ensure we remain at the forefront of active investment management, allocate capital to seed new strategies and support innovation, and return capital surplus to our requirements to shareholders via dividends and share repurchases. Our total proposed dividend for the year of 17.2¢ per share represents an increase of 6% from 16.3¢ in 2023, in line with our progressive dividend policy. We also completed the \$50 million share repurchase that we announced in February, taking the total announced returns to shareholders for 2024 to over \$249 million, and \$1.8 billion over the last five years.

Impact of foreign exchange rates

The portion of our non-US dollar denominated AUM was negatively impacted by the strengthening of the US dollar, particularly towards the end of the year, reducing our reported AUM by \$3.8 billion. This also had a negative impact on our core net management fee revenue. The weakening of sterling against the US dollar also contributed to a decrease in core costs of around \$6 million compared with 2023.

Assets under management

\$bn		31 December	Net inflows/ (outflows)	Investment performance	Other	31 December	Change	
		2023				2024	\$bn	%
Alternative	Absolute return	47.7	(0.7)	0.3	(2.0)	45.3	(2.4)	(5)
	Total return	42.5	0.6	0.5	(2.1)	41.5	(1.0)	(2)
	Multi-manager solutions	19.4	(3.9)	0.2	(1.3)	14.4	(5.0)	(26)
	Total	109.6	(4.0)	1.0	(5.4)	101.2	(8.4)	(8)
Long-only	Systematic	36.5	(4.9)	7.3	(0.3)	38.6	2.1	6
	Discretionary	21.4	5.6	2.6	(0.8)	28.8	7.4	35
	Total	57.9	0.7	9.9	(1.1)	67.4	9.5	16
Total		167.5	(3.3)	10.9	(6.5)	168.6	1.1	1

Absolute return

The decrease in absolute return AUM was driven by negative other movements of \$2.0 billion and net outflows of \$0.7 billion, primarily from trend-following strategies, partially offset by continued inflows into Institutional solutions. Positive investment performance of \$0.3 billion was driven by a number of strategies in the category, partially offset by negative returns from alternative trend-following.

Total return

The decrease in total return AUM was driven by negative other movements of \$2.1 billion, partially offset by net inflows of \$0.6 billion, primarily into multi-asset risk parity, and positive absolute investment performance of \$0.5 billion.

Multi-manager solutions

AUM decreased by \$5.0 billion, primarily due to net outflows of \$3.9 billion, largely from low net management fee margin Infrastructure mandates, and negative other movements of \$1.3 billion.

Systematic long-only

AUM increased by \$2.1 billion, with positive absolute performance of \$7.3 billion across all strategies in the category, partially offset by net outflows of \$4.9 billion, including a single client redemption of \$7.0 billion driven by a strategic decision to switch their entire equities allocation to a passively managed portfolio.

Discretionary long-only

AUM increased by \$7.4 billion during the year. Net inflows of \$5.6 billion were primarily into credit and convertibles. Positive performance of \$2.6 billion was driven by multiple strategies, reflecting strong security selection across our investment teams.

Revenue

Statutory net revenue increased to \$1,477 million from \$1,194 million in 2023 due to the growth in management fee revenue and higher performance fee generation. Similarly, core net revenue increased from \$1,196 million to \$1,459 million.

	Core net management fees (\$m)		Net management fee margin (bps)		Run rate core net management fees (\$m)		Run rate net management fee margin (bps)	
	2024	2023	2024	2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Absolute return	525	526	110	112	498	544	110	114
Total return	285	208	66	64	265	294	64	69
Multi-manager solutions	27	34	18	17	28	33	19	17
Systematic long-only	106	81	27	24	102	91	27	25
Discretionary long-only	151	110	57	59	165	125	57	58
Other service income	3	4	n/a	n/a	n/a	n/a	n/a	n/a
Total	1,097	963	63	63	1,058	1,087	63	65

Management fees

Core net management fee revenue increased by 14% to \$1,097 million in 2024 (2023: \$963 million), driven by a full-year of contribution from Man Varagon and higher average AUM over the period. Net management fee margin remained stable at 63 basis points as the accretive impact from Man Varagon was offset by strong net inflows and investment performance in discretionary long-only strategies, which are typically lower margin.

The absolute return net management fee margin decreased to 110 basis points from 112 basis points, due to lower average AUM in trend-following strategies, which are higher margin strategies. The total return net management fee margin increased by 2 basis points to 66 basis points, as the increase from higher margin Man Varagon AUM was partially offset by higher average AUM in lower margin alternative risk premia. The multi-manager solutions net management fee margin increased to 18 basis points in 2024 from 17 basis points in 2023, driven by outflows from low margin Infrastructure and direct access mandates. The net management fee margin of systematic long-only strategies increased from 24 basis points to 27 basis points due to strong performance in Global and Emerging markets strategies. Discretionary long-only net management fee margins decreased from 59 basis points in 2023 to 57 basis points in 2024 due to strong net inflows and performance in relatively lower margin credit strategies, including Global Investment Grade Opportunities and Corporate Bond.

Run rate core net management fee revenue was \$1,058 million at 31 December 2024 compared with \$1,087 million at the end of 2023. This is largely due to mix effects, as AUM became more heavily weighted towards lower margin long-only strategies. Similarly, the run rate net management fee margin at 31 December 2024 decreased to 63 basis points from 65 basis points at 31 December 2023.

Performance fees and gains on investments

Core performance fees for the year of \$310 million (2023: \$180 million) comprised \$264 million from alternative strategies (2023: \$163 million) and \$46 million from long-only strategies (2023: \$17 million). A broad range of strategies contributed to our performance fee earnings in the year, demonstrating the progress we have made in diversifying our business. We had \$51 billion of performance-fee-eligible AUM as of the end of 2024.

Core gains on investments of \$50 million (2023: \$48 million) were generated by mark-to-market gains across our seed book, including \$13 million from our CLO positions.

Rental income

The agreement we signed in 2023 with one of our sub-tenants to extend their lease to the end of the head lease reduced core rental income to \$2 million for the year, compared with \$5 million in 2023 due to the derecognition of the associated right-of-use asset and the recognition of a finance lease receivable. We signed a new lease in the year with another of our sub-tenants for an additional portion of the vacant space in the building. As this lease also extends to the end of the head lease, we realised a gain on disposal of right-of-use asset of \$3 million, classified as a non-core item, with future depreciation and occupancy costs also lower as a result. A further lease we signed with a new sub-tenant towards the end of the year brings the building to substantially full occupancy until the end of our head lease.

Costs

Asset servicing

Asset servicing costs vary depending on transaction volumes, the number and mix of funds, and fund NAVs. Asset servicing costs for the year were \$67 million compared with \$58 million in 2023, which equated to around 5 (2023: 5) basis points of average AUM, excluding systematic long-only strategies. The year-on-year increase was driven by the increase in average AUM and a full year of costs associated with Man Varagon of \$4 million.

Compensation costs

Core compensation costs were \$684 million for the year, an increase of 15% on the \$595 million recognised in 2023. The increase is due to a full year of costs associated with Man Varagon, higher performance fees which also increased variable compensation, as well as higher fixed compensation costs. Our compensation ratio is between 40% and 50% of core net revenue, depending on the mix and level of revenue. We expect to be at the higher end of the range in years when performance fees are lower or driven predominantly by discretionary strategies. Conversely, we expect to be at the lower end of the range when performance fees are high or driven by systematic strategies. The overall compensation ratio decreased to 47% in 2024 from 50% in 2023, reflecting the increase in performance fee revenue generated in the year.

Restructuring costs linked to the realignment of resources with our strategic priorities were \$22 million in the year, and have been classified as non-core items as they were non-recurring in nature. In the prior year, no similar non-recurring restructuring costs were incurred.

Other costs

Core other costs, which exclude acquisition-related costs and amounts incurred by consolidated fund entities, increased to \$199 million in 2024 from \$179 million in 2023, driven by an increase in software amortisation, staff benefits and investments in technology and communications. This was partially offset by the impact of the weakening of sterling against the US dollar, as the majority of our cost base is denominated in sterling.

Tax

The majority of our profits are earned in the UK, with significant profits also arising in the US, where our cash tax rate is effectively nil as a result of available deferred tax assets, and in Switzerland, which currently has a lower rate than the UK. Tax on statutory profit for the year was \$100 million (2023: \$45 million). The statutory effective tax rate of 25% increased from 16% in 2023 as a result of the recognition of an additional portion of our accumulated US tax losses following the Varagon acquisition last year, which drove a one-off reduction in the rate. The core tax rate in 2024 was 19% compared with 20% in 2023, as the recognition and utilisation of available US deferred tax assets are excluded from the core tax expense.

In the US, we have accumulated tax losses and tax-deductible goodwill and intangibles of \$78 million (2023: \$89 million) that can be offset against future US profits, thereby reducing taxable profits. We have recognised \$76 million of the available \$78 million US deferred tax assets at 31 December 2024 (2023: \$86 million and \$89 million respectively), with the unrecognised portion relating to state and city tax losses expected to expire before utilisation. We have now utilised substantially all our federal tax losses and expect to pay tax on any profits we may earn in the US going forward.

The principal factors influencing our future underlying tax rate are the mix of profits by tax jurisdiction, the rate of consumption of available deferred tax assets and changes to applicable statutory tax rates. The global minimum tax rate, which came into effect in 2024, has not resulted in significant top-up taxes becoming due.

Profit

Statutory profit increased from \$234 million in 2023 to \$298 million in 2024, with core profit increasing from \$271 million to \$381 million over the same period. Statutory EPS (diluted) increased from 19.4¢ in 2023 to 25.1¢ in 2024 (22.4¢ and 32.1¢ respectively on a core basis), with the increase in profitability enhanced slightly by a decrease in share count as a result of the \$50 million of shares repurchased during the year.

Cash earnings

We believe that core profit is an appropriate measure of our cash flow generation due to our strong conversion of profits into cash, although the timing of cash conversion is impacted by the cyclical nature of our working capital position and the size of our net seed book. Core cash flows from operations excluding working capital movements were \$502 million for the year.

As at 31 December 2024, our cash balance, excluding amounts held by consolidated fund entities, was \$225 million.

\$m	Year ended	Year ended
	31 December	31 December
	2024	2023
Opening available cash and cash equivalents	180	349
Core cash flows from operations excluding working capital movements	502	362
Working capital movements (excluding seeding)	(65)	(132)
Working capital movements – seeding	78	119
Acquisition of subsidiaries, net of cash acquired	–	(170)
Dividends paid	(192)	(181)
Share repurchases (including costs)	(50)	(223)
(Repayment)/drawdown of borrowings	(140)	140
Other movements	(88)	(84)
Closing available cash and cash equivalents	225	180

Balance sheet

Our balance sheet remains strong and liquid. Available cash and cash equivalents increased to \$225 million at 31 December 2024 from \$180 million at the end of 2023, with all borrowings repaid in the year. Our seeding portfolio decreased from \$595 million to \$532 million during the year, primarily due to capital returned from CLO strategies.

\$m	31 December 2024	31 December 2023
Available cash and cash equivalents	225	180
Seeding investments portfolio	532	595
Borrowings	–	(140)
Other tangible assets and liabilities	110	147
Net tangible assets	867	782
Goodwill and intangibles	809	830
Shareholders' equity	1,676	1,612

Seed investments

We use our balance sheet to invest in new products, aiming to redeem as client AUM in the funds grows. In the year, we have redeemed \$434 million from the seed book and reinvested \$332 million. We had seed investments of \$532 million at 31 December 2024 (2023: \$595 million), of which \$16 million were financed via repos (2023: \$45 million). In addition, we held \$232 million of total return swap exposure at 31 December 2024 (2023: \$230 million). This approach allows us to maintain our seed portfolio exposure in a cash-efficient way.

The statutory consolidation of some of our CLOs results in a significant gross-up of assets and liabilities in the consolidated balance sheet. Our maximum exposure to loss associated with interests in our CLOs is limited to our investment, as reflected in the seeding investments portfolio balance which excludes the impact of this gross-up.

Capital management and shareholder returns

Our robust balance sheet and liquidity position allow us to invest in the business, support our long-term growth prospects and maximise shareholder value. They also enable us to withstand periods of stress. We actively manage our capital to maximise value to shareholders by either investing that capital to improve shareholder returns in the future or returning it through higher dividends or share repurchases. In 2024, we announced and completed a \$50 million share repurchase.

The Board is proposing a final dividend for 2024 of 11.6¢ per share, which together with the interim dividend of 5.6¢ per share equates to a total dividend for the year of 17.2¢ per share. This represents an increase of 6% on the 2023 full year dividend. The proposed final dividend of around \$134 million is adequately covered by our available liquidity and capital resources. Key dates relating to the proposed final dividend are provided on page 3.

Our business is highly cash-generative, with these cash flows supporting our progressive dividend policy, under which dividends per share are expected to grow over time. We ensure we maintain a prudent balance sheet at all times by taking into account liquidity requirements before investing capital, considering potential strategic opportunities or returning it to shareholders. Over the past five years, we have returned \$0.9 billion to shareholders through dividends and announced \$0.9 billion of share buybacks. As a result, our weighted average share count has decreased by 20% to 1,160 million over that same period.

Our revolving credit facility of \$800 million provides additional liquidity as required. The facility was extended in December 2024 to mature in December 2029 and has a further one-year extension option. We have maintained prudent capital and available liquidity throughout the year, deploying our capital to support investment management operations and new investment products, utilising the revolving credit facility when appropriate. We monitor our capital requirements through continuous review of our regulatory and economic capital, including regular reporting to the Risk and Finance Committee and the Board.

Planning for the impacts of climate change

Whilst climate change has not significantly impacted our financial performance and position to date, we embed the consideration of the potential future impacts of climate change on our business into our financial planning and reporting processes, as we consider appropriate. We seek to minimise the carbon emissions of our office premises and remain thoughtful around inter-office travel, using lower-carbon modes of transport where possible, as part of our ongoing commitment to reduce our carbon footprint and to reach net zero by 2030. We also continue to embed targets to reduce our Scope 3 carbon emissions from business travel into our annual budgeting process.

The directors do not expect potential climate-related impacts on the consolidated financial statements to be material in the short to medium term. In particular, in performing their assessment the directors have considered the impact of climate change on our going concern and viability, the cash flow forecasts used in the impairment assessments of non-current assets, and the assumptions around future life expectancies used in the valuation of the net pension asset. We continue to monitor the potential longer-term impacts of climate change risks on the judgements and estimates used in the preparation of the consolidated financial statements.

Antoine Forterre
Chief Financial Officer

Risk management – principal and emerging risks

Risk	Mitigants	Status and trend	Change	
Business risks				
Investment performance and net redemptions	<p>Fund underperformance, on an absolute basis, relative to a benchmark or relative to peer groups, may result in lower subscriptions and higher redemptions. This risk is heightened at times of disrupted and volatile markets, which could be triggered by geopolitical or climate factors. This may also result in dissatisfied clients, negative press and reputational damage.</p> <p>Absolute underperformance also reduces AUM, resulting in lower management and performance fees.</p>	<p>Man Group's investment divisions each have clearly defined investment processes with integrated risk management, designed to target and deliver on the investment mandate of each product. We focus on hiring and retaining highly skilled professionals who are incentivised to deliver alpha within the parameters of their mandate.</p> <p>Man Group's diversified range of products and strategies limits the risk to the business from underperformance of any particular strategy or market. In line with the outlined strategy, we have increased diversification though AUM growth in our credit strategies in 2024.</p>	<p>Markets were generally buoyant in 2024, but also had moments of disruption linked to central bank policy and geopolitical events. In this context performance was good for our long-only products, which generally outperformed the rising markets, including our discretionary credit products which delivered strong absolute performance. However, these market conditions were not suited to systematic trend-following funds.</p> <p>Although inflows were strong, particularly for Solutions and discretionary credit, these were offset by some large outflows from some institutional clients looking to change strategy and monetise their gains. We did not see any investor concerns or material outflows as a result of our outlined strategy.</p>	Unchanged
Key person risk	<p>A key person to the business leaves or is unable to perform their role.</p> <p>Retention risk may increase in years of poor performance and the expectation of reduced compensation.</p>	<p>Business and investment processes are designed to minimise the impact of losing any key individuals. Diversification of strategies and the emphasis on technology and systematic strategies reduce the overall risk to Man Group.</p> <p>Succession plans and deferred compensation schemes are in place to support the retention of senior investment professionals and key management.</p>	<p>Man Group has continued to be able to attract and retain an array of talented individuals across the firm. In 2024 there was a resource review and reallocation designed to deliver on our strategic priorities and create opportunities for junior talent to grow.</p>	Unchanged
Credit risks				
Counterparty	<p>A counterparty with which the funds or Man Group have financial transactions, directly or indirectly, becomes distressed or defaults.</p> <p>Shareholders and investors in Man Group funds and products are exposed to credit risk of exchanges, prime brokers, custodians, sub-custodians, clearing houses and depository banks.</p>	<p>Man Group and its funds diversify exposures across a number of the strongest available financial counterparties, each of which is approved and regularly reviewed and challenged for creditworthiness by a firm-wide counterparty committee.</p> <p>The Risk teams monitor credit metrics on the approved counterparties daily. This includes credit default swap spreads and credit ratings.</p>	<p>After an eventful 2023, 2024 was a calm year for counterparty concerns.</p> <p>The prospect of decreased regulation and capital requirements for US banks may see systemic risk growing in the longer term.</p>	Unchanged

Risk	Mitigants	Status and trend	Change	
Liquidity risks				
Corporate and fund	<p>Man Group is exposed to having insufficient liquidity resources to meet its obligations.</p> <p>Adverse market moves and volatility may sharply increase the demands on the liquid resources in Man Group's funds. Market stress and increased redemptions could result in the deterioration of fund liquidity and in the severest cases this could lead to the gating of funds.</p>	<p>An \$800 million revolving credit facility, maturing December 2029, with a one-year extension option, provides Man Group with a robust liquidity backstop and flexibility to manage seasonal liquidity demands. Liquidity forecasting for Man Group and the UK/EEA sub-group, including downside cases, facilitates planning and informs decision-making.</p> <p>The Financial Risk team conducts regular liquidity tests on Man Group's funds. We endeavour to manage resources in such a way as to meet all plausible demands for fund redemptions according to contractual terms.</p>	<p>The full repayment of the revolving credit facility (following the 2023 acquisitions of Varagon and Asteria), the balance sheet seeding programme (including use of external financing) and completion of a \$50 million share buyback in 2024 were planned and managed without issues.</p> <p>The asset liquidity distribution across funds remained broadly unchanged but growth of our credit strategies increased the quantity of lower liquidity assets. Our in-house liquidity analysis and reporting toolkit continued to evolve and now includes a firm-wide fixed income limit framework. There were no material trading liquidity challenges.</p>	Unchanged
Market risks				
Investment book performance	<p>Man Group uses capital to seed new funds to build our fund offering and expand product distribution. Man Group also holds CLO risk retention positions until the product maturity. The firm is exposed to a decline in value of the investment book.</p> <p>Varagon private markets loan origination and syndication is a shorter-term risk, exposed to sharp credit spread widening during the holding period.</p>	<p>A disciplined framework ensures that each request for seed capital is assessed based on its risk and return on capital.</p> <p>Approvals are granted by a Seed Investment Committee (SIC), which is comprised of senior management, Risk and Treasury. Investments are subject to risk limits and an exit strategy and are hedged to a benchmark where appropriate. The positions and hedges are monitored regularly by Financial Risk and reviewed by the SIC.</p>	<p>The investment book size reduced over 2024, while balance sheet risk-taking increased, driven by two new large unhedged credit positions. There were 13 new positions in 2024, managed by active recycling of existing investments.</p> <p>The investment book returns were positive with performance coming from across the core seed book (net of benchmark hedge) and our CLO equity positions.</p>	Increased
DB pension performance	<p>Man Group underwrites the risks related to the UK defined benefit pension plan which closed to new members in 1999 and future accrual in 2011. The plan is healthy but is exposed to changes in net asset versus liability values. This could come from underperformance of return-seeking assets or changes in expected member longevity assumptions.</p>	<p>The UK pension plan has a low net exposure to UK interest rates and RPI inflation though the use of index-linked gilt, corporate bond and Liability-Driven Investment (LDI) funds. The return-seeking assets are low volatility and have a low correlation to directional equity markets. Longevity is the largest risk but is uncorrelated to Man Group's other risks.</p> <p>The plan is operated separately from Man Group and managed by independent trustees, including its investment decisions.</p>	<p>A triennial valuation exercise updated the actuarial assumptions as of 2023 year-end which increased the scheme's actuarial surplus. The accounting and actuarial surplus increased marginally over 2024.</p> <p>The additional cost of an insurance buy-in came down in 2024, largely due to more competitive pricing. Although the cost remains in excess of our appetite, steps have been taken to ensure the scheme is in a position to approach the insurance market if pricing improves and Man Group and the trustees deem a buy-in is appropriate for the scheme and its members.</p>	Decreased

Risk		Mitigants	Status and trend	Change
Operational risks				
Internal process failure	Risk of losses or harm resulting from inadequate or failed corporate or fund processes within Man Group, including employee-related issues.	<p>Man Group's risk management framework and internal control systems are based on a three lines model and have continued to operate during the year.</p> <p>Risks and controls are reassessed periodically and in the event of material change, risk events or issues, to determine the adequacy of the control environment.</p>	<p>Man Group continues to prioritise improving systems and controls to minimise process failures.</p> <p>During 2024, recent acquisitions were integrated in line with plans and AUM increased. Man Group also announced organisational changes in support of its strategy. Whilst change can add risk, the strategic aim to reduce organisational complexity and the successful delivery and embedding of the new strategic Order Management System will significantly offset the additional risk in future years.</p>	Increased
External (third-party) process failures	Man Group continues to outsource several functions and manage critical third-party arrangements on behalf of its funds. Risks arise through the supplier life cycle from sourcing and selection, to contracting and onboarding, to service delivery and monitoring and finally, to exit and offboarding. The most material risk is that critical third-party service providers do not or are unable to perform services as required, including due to bankruptcy, resulting in knock-on implications for our business and processes.	Man Group's Operations team has implemented a robust methodology (including ongoing third-party due diligence and KPI monitoring) to confirm that critical third-party service providers are delivering as required.	The firm's key outsourcing providers remain intentionally concentrated with a small group of carefully selected and proven names with which it has well-established and embedded working relationships. There has been no notable increase or decrease in the number of material issues caused by, or experienced by, our critical third-party providers during 2024 and there have been no material losses or other impacts.	Unchanged
Model and data integrity	Man Group is a technology-empowered active investment management firm which continues to make use of advanced quantitative trading strategies that necessitate a robust approach to data acquisition and consumption, model implementation and execution. Key risks include model/algorithm failures or issues with data upon which decisions are made.	<p>Man Group has embedded systems, controls and operational change control processes for models and data. Change management controls are applied to new models, model changes and calibrations.</p> <p>Controls are both preventative and detective to minimise the potential consequences from such an event arising.</p>	<p>Man Group continues to source and provision new investment data sources and data analytics, and has reviewed the algorithmic trading process in response to events in the wider industry and as required by the MiFID II (Markets in Financial Instruments Directive II) Regulatory Technical Standards 6.</p> <p>Man Group has not observed an increase in material internal risk events in 2024.</p>	Unchanged
Information and cybercrime security	Risk of losses or harm resulting from the loss of information in electronic or hard copy form held by Man Group and arising as a result of sabotage, hacking, virus attack or other malicious disruption causing system failure.	Man Group has an established information security and cyber security programme with relevant policies and procedures, that are aligned with industry expectations and best practices. Man Group's Chief Information Security Officer, together with the Information Security Steering Committee, ensure that our control environment is continuously reviewed and adjusted to keep pace with the evolving regulatory, legislative and cyber threat landscapes.	Man Group continues to improve its defence using state-of-the-art technologies and best practices, enabling us to detect, prevent and respond to malicious activities and complex cyber-attacks. Although we have not experienced any material issues in 2024, the increasing cyber risk assessment is fuelled by a multitude of factors including the rise of AI-driven phishing attacks via models like ChatGPT; the increasing risk of vulnerabilities in the supply chain; and the increasing impact and cost of cyber breaches.	Increased

Risk		Mitigants	Status and trend	Change
Information technology and business continuity	<p>Risk of losses or harm incurred by IT software and hardware failures resulting in system downtime, severely degraded performance or limited system functionality.</p> <p>Business continuity risks may arise from incidents such as a denial of access to a key site or a data centre outage, which could lead to business disruption.</p>	<p>Technology plays a fundamental role in delivering our objectives. The single Technology team of 470+ professionals aligns with each business unit to ensure work is correctly prioritised and financed. The prioritisation process considers the life cycle of both hardware and software to ensure both are adequately supported and sized. The firm's operational processes include mature risk, incident and problem management procedures to minimise the likelihood and impact of technology failures.</p> <p>Business continuity risk mitigation includes detailed planning and testing of remote access and contingency/recovery operations, and ongoing risk and threat assessments.</p>	<p>Man Group continues to enhance its technology, with a focus on platform enrichment, centralising order management, and expanding capacity.</p> <p>Annual combined disaster recovery exercises have been conducted across key trading applications which were switched to run from our back-up data centre.</p> <p>The Business Continuity and Resilience (BCR) team focused on enhancing the programme to ensure Man Group remains operationally resilient and prepared for disruptions. In 2024, the crisis management framework was updated, and over 25 scenarios were tested to identify vulnerabilities and validate recovery solutions.</p>	Unchanged
Criminal activities	<p>Risk of losses or harm through wrongful, unauthorised activities or criminal deception intended to result in financial or personal gain; or incurred through failure to comply with (or have adequate procedures to ensure compliance with) laws and regulations relating to anti-money laundering, counter-terrorist financing, anti-bribery and corruption, breach of economic sanctions, insider trading and market abuse.</p>	<p>Man Group operates a framework consisting of policies, procedures and regular training to staff to support compliance with applicable laws and regulations.</p> <p>Internal policies, processes and controls are subject to regular review and consultation internally and with external advisers to ensure we remain well placed to manage evolving requirements. Man Group has a dedicated KYC team and support, independent oversight and challenge are also being provided by Man Group's Compliance and Financial Crime teams.</p>	<p>Man Group continues to strengthen and adapt its control environment to monitor and meet the challenges of an evolving regulatory environment with heightened sanctions and enforcement actions.</p> <p>No material incidents were seen in 2024, and the firm complies with the evolving sanctions regime.</p>	Unchanged
Legal, compliance and regulatory	<p>The breadth and complexity of the regulations and legislative requirements that Man Group and its funds are, or were historically subject to, across multiple jurisdictions, represent significant operational risks, should the firm fail to comply with them. Man Group supports proportionate and thoughtful regulation and initiatives that develop the regulatory environment. However, change can also result in increased operational complexity and costs to Man Group or the sectors or markets in which it operates.</p> <p>Failure to comply with laws and regulations may put Man Group at risk of fines, lawsuits or reputational damage.</p>	<p>Man Group operates global legal and compliance frameworks which underpin all aspects of its business and are resourced by experienced teams. These teams are physically located in Man Group's key jurisdictions, helping them to understand the context and impact of any requirements.</p> <p>Emphasis is placed on proactively analysing new legal and regulatory developments and communications to assess likely impacts and mitigate risks. The governance framework includes ongoing proactive reporting and management of potential and actual legal and litigation risks.</p> <p>Man Group continues to liaise directly and indirectly with competent authorities e.g. FCA, SEC, FINMA, CBI.</p>	<p>Man Group continues to experience new regulatory requirements and invest heavily in compliance, technology, and reporting infrastructure to meet the growing regulatory expectations. In 2024 key areas included ESG and sustainability, operational resilience, private fund adviser reforms, outsourcing and third-party risk management.</p> <p>Man Group's engagement with the key regulators remains very active and work continues to support a number of regulatory initiatives.</p> <p>Man Group continues to robustly defend legal proceedings relating to matters arising in the ordinary course of the group's businesses.</p>	Increased

Risk		Mitigants	Status and trend	Change
Reputational risks				
Negative publicity	The risk that an incident or negative publicity undermines our reputation as a leading investment manager and place to work. Reputational damage could result in significant redemptions from our funds, and could lead to difficulties with external financing, credit ratings, talent attraction/retention and relations with regulators, core counterparties and outsourcing providers.	Our reputation is dependent on our operational and fund performance and the conduct of our employees. Our governance and control structure mitigates operational concerns, and our attention to people and investment processes are designed to comply with accepted standards of investment management practice. We encourage a culture of openness, inclusion and diversity.	Man Group enjoys a good reputation. The CEO and Chair transitions and new strategic objectives have been received positively by those covering the Company. Work continues to protect its reputation across stakeholder groups, while simultaneously building out Man Group's profile, particularly in North America and across newer focus channels and our investment capabilities such as Wealth, Private Credit and Insurance.	Unchanged
Emerging risks				
Potential future threats	Emerging risks are complementary to the current principal risks and represent potential future threats to Man Group's performance, development or viability. By definition, these entail greater uncertainty about if or when the risk or an event may manifest. The emerging risk categories include natural disasters, pandemics, disruption to financial markets and business infrastructure, geopolitical risk and changes in the competitive landscape.	The Board, Executive Committee and Risk teams monitor emerging risks, trends and changes in the likelihood or impact following discussions with subject matter experts. This assessment informs the universe of principal risks managed and mitigated by the firm.	Emerging risks are assessed internally and discussed with the Board on a six-month cycle. The dominant theme this year was heightened geopolitical tensions (conflicts in Ukraine and the Middle East, tension with China and the wholesale impact of a year of global elections particularly the US). These are discussed in the spotlight section. Whilst the likelihood of many of the risks has increased, no changes were made to Man Group's headline principal risks.	Increased
Climate change risks				
Physical risks	Physical risks, and specific event uncertainties, of business disruption, property damage or impacts on employee well-being due to a severe weather event.	Man Group has a small number of employees, a relatively limited physical footprint and can operate completely remotely - as it has done in the past.	The firm will continue to monitor and manage its risks through business-as-usual reporting and management processes for the relevant principal risk (see below).	Unchanged
Transition risks	Transition risks, and timing uncertainties, as the world moves towards a low-carbon economy can be legal, regulatory, technological, market or reputational. This may impact the appetite for and performance of some investment products.	Man Group has an agile business model, so is well equipped to adjust to medium-term transition risks and also capture any opportunities. With a strong track record for innovation, the firm continues to focus on providing our sustainability-driven investors with products that incorporate ESG analytics.	Man Group met its 2024 short-term emissions targets and work continues in line with our pathway to net zero. We are now ISO 14001:2018 accredited and continue the work pursuant to our Building Performance Optimisation review of our London headquarters. We saw a significant reduction, compared to 2023, in the weighted average carbon intensity (WACI) for our AUM subject to Net Zero Asset Managers initiative (NZAMI) interim targets.	Unchanged

Risk	Mitigants	Status and trend	Change	
<p>Link to our other principal risks</p>	<p>Investment performance is exposed to market disruption or volatility triggered by severe weather events. Performance could also be impacted by fundamental moves in underlying asset prices or liquidity as the world transitions to a low-carbon economy.</p> <p>Business continuity risk manifests as damage or disruption to Man Group's offices and data centres and the transportation and supply systems that support them. In particular our London headquarters may be exposed to flooding of the River Thames.</p> <p>Legal and reputation risk currently comes from any suggestion of greenwashing if the ESG credentials of a fund or our corporate behaviour does not meet client or regulatory expectations. This could lead to redemptions and regulatory fines as well as damaging relations with core clients, employees and the wider public.</p>	<p>Man Group's diversified range of products and strategies limits the risk to any particular strategy or market. While the integrated portfolio and risk management processes help managers understand their risk profiles.</p> <p>Agile working is well established, and employees can work remotely if offices are inaccessible. We conduct detailed planning for emerging scenarios along with testing of remote access and contingency/recovery operations.</p> <p>Man Group has specific policies and greenwashing controls which continue to evolve and are subject to robust review. We take a relatively low key and considered approach in our external communications with a focus on education and data as well as highlighting the challenges inherent in this area.</p>	<p>We continue to offer a range of products that appeal to clients focused on implementing Responsible Investment into their portfolios.</p> <p>Our operations and ability to work effectively were not materially impacted by the heatwaves in the US and Continental Europe, with the majority of employees working remotely.</p> <p>In 2024, we continued to expand our ESG analytics tools, including integration of climate Value at Risk and a proprietary sovereign framework.</p>	<p>Unchanged</p>

Directors' responsibility statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. The Annual Report will be published on the Company's website in mid-March and an announcement will be released to the market confirming when it is available.

The Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- 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 IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey, Channel Islands governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors as at 31 December 2024, confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; the Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face;
- the Annual Report and the financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's and Group's position, performance, business model and strategy; and
- there is no relevant audit information of which the Group's auditor is unaware, and that they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that Man Group's auditor is aware of that information.

Consolidated income statement

For the year to 31 December

	Note	2024 \$m	2023 \$m
Management and other fees	4	1,126	990
Performance fees	4	308	178
Revenue		1,434	1,168
Net income or gains on investments and other financial instruments	5.1	88	76
Third-party share of gains relating to interests in consolidated funds	5.2	(10)	(24)
Rental income	5.2,8.1	3	6
Distribution costs	6	(38)	(32)
Net revenue		1,477	1,194
Asset servicing costs	6	(67)	(58)
Compensation costs	6.1	(706)	(595)
Other employment-related expenses	6.2	(38)	(23)
Other costs	6.3	(215)	(198)
Finance income	7	15	13
Finance expense	7	(38)	(34)
Gain on disposal of investment property – right-of-use lease assets	8.1	3	12
Amortisation and impairment of acquired intangibles	9	(24)	(28)
Share of post-tax loss of associates	10	(2)	(3)
Revaluation of acquisition-related liabilities		(4)	–
Third-party share of post-tax profits		(3)	(1)
Statutory profit before tax		398	279
Tax expense	11.1	(100)	(45)
Statutory profit attributable to owners of the Company		298	234
Statutory earnings per share	12		
Basic		25.7¢	19.9¢
Diluted		25.1¢	19.4¢

Consolidated statement of comprehensive income

For the year to 31 December

	Note	2024 \$m	2023 \$m
Statutory profit attributable to owners of the Company		298	234
Other comprehensive income/(loss):			
Remeasurements of defined benefit pension plans	13	2	(10)
Deferred tax on pension plans	11.3	–	2
Items that will not be reclassified to profit or loss		2	(8)
Cash flow hedges:			
Valuation gains taken to equity		20	14
Realised gains transferred to consolidated income statement		(22)	(12)
Deferred tax on cash flow hedges	11.3	1	–
Net investment hedges		7	1
Foreign currency translation		(7)	3
Items that may be reclassified to profit or loss		(1)	6
Other comprehensive income/(loss)		1	(2)
Total comprehensive income attributable to owners of the Company		299	232

Consolidated balance sheet

At 31 December

	Note	2024 \$m	2023 \$m
Assets			
Cash and cash equivalents	14	454	276
Fee and other receivables	15	492	551
Investments in fund products and other investments	5	2,414	2,279
Investments in associates	10	8	11
Current tax assets	11.2	17	15
Finance lease receivable	8.1	77	67
Leasehold improvements and equipment	16	58	53
Leasehold property – right-of-use lease assets	8.2	90	112
Investment property – right-of-use lease assets	8.2	13	17
Investment property – consolidated fund entities	5.2	12	30
Software intangible assets	17	57	54
Deferred tax assets	11.3	117	128
Pension asset	13	13	12
Goodwill and acquired intangibles	9	752	776
Total assets		4,574	4,381
Liabilities			
Borrowings	14	–	140
Trade and other payables	18	655	713
Employment-related payables to sellers of businesses acquired	6.2	56	23
Provisions	19	16	16
Current tax liabilities	11.2	3	3
CLO liabilities – consolidated funds	5.2	1,366	1,036
Third-party interest in consolidated funds	5.2	553	554
Third-party interest in other subsidiaries		1	1
Lease liability	8.2	248	283
Total liabilities		2,898	2,769
Net assets		1,676	1,612
Equity			
Capital and reserves attributable to owners of the Company	20	1,676	1,612

The financial statements were approved by the Board of Directors on 26 February 2025 and signed on its behalf by:

Robyn Grew
Chief Executive Officer

Antoine Forterre
Chief Financial Officer

Consolidated cash flow statement

For the year to 31 December

	Note	2024 \$m	2023 \$m
Operating activities			
Cash generated from operations	21	769	470
Interest paid		(27)	(23)
Payment of lease interest	8.2	(11)	(10)
Tax paid	11.2	(83)	(100)
Cash flows from operating activities		648	337
Investing activities			
Interest received		12	12
Purchase of leasehold improvements and equipment	16	(18)	(12)
Purchase of software intangible assets		(23)	(21)
Acquisition of subsidiaries, net of cash acquired		–	(170)
Cash flows used in investing activities		(29)	(191)
Financing activities			
Repayments of lease liability principal	8.2	(22)	(10)
Purchase of Man Group plc shares by the Employee Trust		(35)	(56)
Proceeds from sale of Treasury shares in respect of Sharesave		1	4
Share repurchase programmes (including costs)	20	(50)	(223)
Ordinary dividends paid to owners of the Company	22	(192)	(181)
Transactions with non-controlling shareholders		3	–
Payment of third-party share of post-tax profits		(4)	–
Payment of upfront costs of revolving credit facility		–	(3)
Net (repayment)/drawdown of borrowings	14	(140)	140
Cash flows used in financing activities		(439)	(329)
Net increase/(decrease) in cash and cash equivalents		180	(183)
Cash and cash equivalents at beginning of the year		276	457
Effect of foreign exchange movements		(2)	2
Cash and cash equivalents at end of the year	14	454	276
Less: restricted cash held by consolidated fund entities	14	(229)	(96)
Available cash and cash equivalents at end of the year	14	225	180

Consolidated statement of changes in equity

\$m	Note	Share capital	Reorganisation reserve	Profit and loss account	Man Group plc shares held by Employee Trust	Treasury shares	Cumulative translation adjustment	Other reserves	Total
At 1 January 2023		46	(1,688)	3,590	(80)	(225)	41	15	1,699
Statutory profit		–	–	234	–	–	–	–	234
Other comprehensive (loss)/income		–	–	(8)	–	–	4	2	(2)
Total comprehensive income		–	–	226	–	–	4	2	232
Share-based payments		–	–	40	–	–	–	–	40
Current tax on share-based payments	11.2	–	–	5	–	–	–	–	5
Deferred tax on share-based payments	11.3	–	–	1	–	–	–	–	1
Purchase of Man Group plc shares by the Employee Trust		–	–	–	(56)	–	–	–	(56)
Disposal of Man Group plc shares by the Employee Trust		–	–	(30)	30	–	–	–	–
Share repurchases	20	–	–	(125)	–	–	–	–	(125)
Transfer to Treasury shares		–	–	223	–	(223)	–	–	–
Transfer from Treasury shares		–	–	(18)	–	15	–	3	–
Disposal of Treasury shares for Sharesave		–	–	–	–	4	–	–	4
Cancellation of Treasury shares		(1)	–	(103)	–	103	–	1	–
Dividends paid	22	–	–	(181)	–	–	–	–	(181)
Put option over non-controlling interests		–	–	(7)	–	–	–	–	(7)
At 31 December 2023		45	(1,688)	3,621	(106)	(326)	45	21	1,612
Statutory profit		–	–	298	–	–	–	–	298
Other comprehensive income/(loss)		–	–	2	–	–	–	(1)	1
Total comprehensive income		–	–	300	–	–	–	(1)	299
Share-based payments		–	–	39	–	–	–	–	39
Current tax on share-based payments	11.2	–	–	3	–	–	–	–	3
Deferred tax on share-based payments	11.3	–	–	(2)	–	–	–	–	(2)
Purchase of Man Group plc shares by the Employee Trust		–	–	–	(35)	–	–	–	(35)
Disposal of Man Group plc shares by the Employee Trust		–	–	(31)	31	–	–	–	–
Share repurchases	20	–	–	(50)	–	–	–	–	(50)
Transfer to Treasury shares		–	–	50	–	(50)	–	–	–
Transfer from Treasury shares		–	–	(8)	–	7	–	1	–
Disposal of Treasury shares for Sharesave		–	–	–	–	1	–	–	1
Cancellation of Treasury shares		(1)	–	(112)	–	112	–	1	–
Dividends paid	22	–	–	(192)	–	–	–	–	(192)
Put option over non-controlling interests		–	–	1	–	–	–	–	1
At 31 December 2024		44	(1,688)	3,619	(110)	(256)	45	22	1,676

Under the Companies (Jersey) Law 1991, a company may make a distribution from any source other than the nominal capital account and capital redemption reserve, included within other reserves. The Company has reserves available for distribution of \$2.9 billion as at 31 December 2024 (2023: \$2.9 billion).

Notes to the consolidated financial statements

1. Basis of preparation

Accounting framework

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) as adopted by the United Kingdom. The consolidated financial statements are prepared on a going concern basis using the historical cost convention, except for certain financial instruments that are measured at fair value and defined benefit pension plans. Our significant accounting policies, which have been consistently applied in the current and prior years, are included in the relevant notes, except for those below which relate to the consolidated financial statements as a whole.

The financial information included in this statement does not constitute statutory accounts. Statutory accounts for the year ended 31 December 2024, upon which the auditors have issued an unqualified report, will shortly be delivered to the Jersey Registrar of Companies. The Annual Report and the Notice of the Company's 2025 Annual General Meeting (AGM) will be posted to shareholders and will be available to download from the Company's website on 7 March 2025. The Annual General Meeting will be held on 9 May 2025 at 9am at Riverbank House, 2 Swan Lane, London EC4R 3AD. For further details please refer to the Notice of our 2025 Annual General Meeting when available.

Consolidation

The consolidated group is the Company and its subsidiaries (together Man Group). The consolidated financial statements are presented in United States dollars (USD), the Company's functional currency, as the majority of our revenues, assets, liabilities and financing are denominated in USD.

Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate on each balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated. Transactions denominated in foreign currencies are converted at the spot rate at the date of the transaction or, if appropriate, the average rate for the month in which the transaction occurs. The resulting exchange differences are recognised in the consolidated income statement.

For consolidated entities that have a functional currency other than USD, the assets and liabilities are translated into USD at the spot rate on the balance sheet date. Income and expenses are translated at the average rate for the period in which the transactions occur. The resulting exchange differences between these rates are recorded in other comprehensive income.

We apply net investment hedge accounting to the net assets of material subsidiaries that have a functional currency other than USD. Gains or losses on derivatives are recycled from the consolidated income statement through other comprehensive income in the foreign currency translation reserve in equity to offset the impact of any currency translation of the net assets of these subsidiaries. The accumulated gains or losses are recycled to the consolidated income statement on disposal of the related subsidiary.

The consolidated financial information contained within these financial statements incorporates our results, cash flows and financial position and includes our share of the results of any associates and joint ventures using the equity method of accounting. Subsidiaries are entities we control (including certain structured entities, as defined by IFRS 12 'Disclosure of Interests in Other Entities') and are consolidated from the date on which control is transferred to us until the date that control ceases. Control exists when we have the power to direct the relevant activities, exposure to significant variable returns and the ability to utilise power to affect those returns. All intercompany transactions and balances are eliminated on consolidation. Although the Employee Trust has independent trustees and its assets are held separately, it is consolidated into the financial statements given its nature as a structured entity which has the obligation to deliver deferred compensation awards to our employees.

Business combinations

Man Group uses the acquisition method to recognise acquired businesses from the date on which we obtain control of the acquiree. The consideration transferred in an acquisition is measured at the fair value of the assets transferred, including any contingent consideration, the liabilities incurred, and any equity instruments issued. The fair value of the business acquired is measured at the fair value of the acquiree's identifiable assets and liabilities at that date. Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interests in the acquiree over the net of the amounts of the identifiable assets acquired and liabilities assumed at the acquisition date. Acquisition-related costs are recognised in the consolidated income statement as incurred. Any contingent consideration is recognised at fair value at the acquisition date, with subsequent changes in fair value recognised in the consolidated income statement. Non-controlling interests in subsidiaries are measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets on a case-by-case basis. Immaterial non-controlling interests may not be disclosed separately, with the non-controlling interest in consolidated profits deducted from statutory profit before tax within other costs and share of equity offset against the profit and loss account. Put options held by third parties over their non-controlling interests are classified as a financial liability as there is no unavoidable right to defer settlement of the obligation.

Operating segments

The Chief Operating Decision Maker (CODM) has been identified as the Man Group Board (the Board) as Man Group's key decision-making body.

Management information regarding revenues, net management fee margins and investment performance relevant to the operation of the investment managers, products and the investor base are reviewed by the Board. A centralised shared infrastructure for operations, product structuring, distribution and support functions for our investment management business means that operating costs are not allocated to its constituent parts. As a result, performance is assessed, resources are allocated, and other strategic and financial management decisions are determined by the Board, considering our investment management business as a whole. Accordingly, we operate and report the investment

management business as a single segment, together with relevant information regarding AUM, flows and net management fee margins, to allow for analysis of the direct contribution of products and the respective investor base.

Impact of new accounting standards

There were no new or amendments to existing accounting standards issued by the International Accounting Standards Board (IASB) effective for the first time in the year to 31 December 2024 that have had a significant impact on these consolidated financial statements.

In November 2023, the IASB issued an exposure draft (ED) on Financial Instruments with Characteristics of Equity, which impacts the accounting for non-controlling interests over which there is a put option. The ED requires non-controlling interests to be recognised and measured based on current rights associated with an instrument, as well as the recognition of a put option over an entity's own shares at the present value of the gross settlement value. While the proposals have not had a material impact on the consolidated financial statements to date, the impact could become more material in the future should the value of non-controlling interests increase. The IASB continues to deliberate the feedback to the ED before deciding on the future project direction.

IFRS 18 'Presentation and Disclosures in Financial Statements' was issued in 2024 and is effective for accounting periods commencing on or after 1 January 2027. The application of IFRS 18 will have an impact on the consolidated financial statements from a presentation and disclosure perspective.

No other standards or interpretations issued and not yet effective are expected to have a material impact on the consolidated financial Statements.

2. Going concern

The preparation of the consolidated financial statements on a going concern basis is supported by the forecast financial performance and capital and liquidity analysis of Man Group, as approved by the Board. This analysis considers our net tangible assets and liquidity resources and requirements and utilises the Man Group budget, medium-term plan and the capital and liquidity plan. These plans include rigorous downside testing, including analyses of stressed capital and liquidity scenarios, and incorporate Man Group's principal and emerging risks, which are outlined on pages 18 to 23 and monitored by the Board on an ongoing basis.

3. Judgemental areas and accounting estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. We continually evaluate our estimates and judgements based on historical experience and expectations of future events that are considered reasonable in the circumstances. These judgements and estimates are an area of focus for the Board and, in particular, the Audit and Risk Committee.

Critical judgements

Consolidation of fund entities

Man Group acts as the investment manager or adviser to fund entities. A significant area of judgement is whether we control certain of those fund entities to which we are exposed via either direct investment holdings, total return swaps, or sale and repurchase arrangements. We assess such relationships on an ongoing basis to determine whether we control each fund entity and therefore consolidate them into our results. Further details of the control assessment are set out in Note 5.

Employment-related expenses

Amounts payable to sellers of businesses acquired who hold put options over their non-controlling interests and who are also employees are accounted for as employment-related expenses rather than consideration for the acquisition because those payments are contingent on the completion of a minimum service period. As the value of the payments is linked to equity interests in the business, the arrangements are accounted for as cash-settled share-based payments. Significant judgement is applied in determining the appropriate accounting policies to apply to these arrangements since the terms differ significantly from those of a traditional share-based payment. In particular, judgement is applied in treating each employee's share of the post-acquisition profits of the business and the underlying put option as a single instrument, and in selecting the appropriate vesting period.

Critical accounting estimates

Employment-related expenses

The value of employment-related expenses arising from business combinations is a source of significant estimation uncertainty as the expenses are determined with reference to the expected future value and performance of the business acquired. The valuation reflects the best estimate of the amounts payable under the put options and has been estimated using a discounted cash flow model. Changes in the fair value of these cash-settled share-based payments, including the discount unwind, will be recognised in the consolidated income statement up until the final settlement date. Details of the assumptions used in the valuation, together with a sensitivity analysis, are set out in Note 6.2.

Pension

The estimation uncertainty arising on the valuation of the net pension asset remains a critical accounting estimate, as adopting alternative assumptions for the key inputs could result in a materially different value being recognised on the consolidated balance sheet (Note 13).

Other considerations

The measurement of provisional values of the identifiable assets acquired, liabilities assumed and goodwill arising on the acquisition of Varagon Capital Partners, L.P. in 2023 was disclosed as a critical accounting estimate in the prior year. As these amounts were finalised during the year with no adjustment, this is no longer considered an area of critical estimation uncertainty.

The Board has also considered the assumptions used in the assessments for: impairment of goodwill, investments in associates and finance lease receivables; and the recoverability of deferred tax assets. The Board has concluded that these assumptions do not have a significant risk of causing a material adjustment to the carrying amounts of our assets or liabilities at the balance sheet date.

The Board has also considered the impact of climate change on the consolidated financial statements, in particular in relation to the going concern assessment, the cash flow forecasts used in the impairment assessments of non-current assets and the assumptions around future life expectancies used in the valuation of the net pension asset. The impact of climate change on the consolidated financial statements is not currently expected to be material.

4. Revenue

Accounting policy

Fee income is our primary source of revenue, which is derived from the investment management agreements that we have in place with the fund entities or the accounts that we manage.

Management and other fees, which include all non-performance related fees, are recognised in the period in which the services are provided and do not include any other performance obligations. Fees are generally based on an agreed percentage of NAV or AUM and are typically charged in arrears and receivable within one month.

Performance fees relate to the performance of the funds or managed accounts managed during the year and are recognised as the performance obligation is satisfied, whereby the fee can be reliably estimated and it is highly probable that a significant reversal will not occur. This is generally at the end of the performance period or upon early redemption by an investor when the fee has crystallised. Until the performance period ends, market movements could significantly move the NAV of the fund products and therefore the value of any performance fees receivable. For alternative strategies, we will typically only earn performance fees on any positive investment returns in excess of the high-water mark, meaning we will not be able to earn performance fees with respect to positive investment performance in any year following negative performance until that loss is recouped. For long-only strategies, performance fees are usually earned only when performance is in excess of a predetermined strategy benchmark (positive alpha). Where performance fees are earned over a longer timeframe, usually in relation to private markets funds, revenue may be recognised before the contractual crystallisation date. In this case, constraints are applied to the performance fee accrued in the relevant fund to reflect the uncertainty of performance over the remaining period to crystallisation. Once crystallised, performance fees typically cannot be clawed back.

Rebates, which relate to repayments of management and performance fees charged, typically to institutional investors, are recognised in the same period as the associated fees. As rebates constitute a reduction in the fees charged for services provided, they are presented net within management and other fees and performance fees in the consolidated income statement.

5. Investments in fund products and other investments

Accounting policy

Investments in fund products are classified at fair value through profit or loss, with net gains due to movements in fair value recognised through net income or gains on investments and other financial instruments.

The fair values of investments in fund products other than CLOs are typically derived from their reported NAVs, which in turn are based upon the value of the underlying assets. The valuation of the underlying assets within each fund product is determined by external valuation service providers based on an agreed valuation policy and methodology. While these valuations are performed independently of Man Group, we have established oversight procedures and due diligence processes to ensure that the NAVs reported by the external valuation service providers are reliable and appropriate. Purchases and sales of investments are recognised on trade date.

Our holdings in unconsolidated CLO risk retention assets are priced using a bottom-up valuation method. We use third-party valuations to price the securities within the underlying portfolios and then apply the percentage of the CLO notes we hold to these valuations.

Seeding investments portfolio

We use capital to invest in fund products as part of our ongoing business, to build product breadth and to trial investment research developments before marketing the products broadly to investors. Seed capital is invested via direct holdings in fund products or sale and repurchase (repo) arrangements, which allow us to finance seed investments in a cash-efficient way. Alternatively, we may obtain exposure to seed investments via total return swap (TRS) arrangements. Under a repo arrangement we are committed to repurchase the underlying seed investments at maturity and pay an interest charge over the period, with the obligation to repurchase the assets on maturity recorded as a liability within trade and other payables. Under a TRS arrangement, we are under no form of repayment obligation and have no ownership interest (or voting rights) in the underlying investment. In exchange for the returns on the underlying seed investments, we pay a floating rate of interest.

Other than our holdings in CLOs and co-investments, our seed investments are generally liquid in nature and may be liquidated at short notice. It is not practicable to allocate our seeding investments portfolio between amounts expected to be recovered or settled within or after 12 months after the end of the reporting period as the sale or liquidation of seed investments is subject to client asset raising and the ongoing requirements of the business. The majority of our CLO holdings are likely to be settled more than 12 months after the end of the reporting period.

Consolidation

The control considerations under IFRS 10 'Consolidated Financial Statements' apply to fund product investments, including those underlying our repo and TRS instruments. Fund entities deemed to be controlled are consolidated on a line-by-line basis from the date control commences until it ceases. In the control assessment, we consider our exposure to variable returns and the existence of substantive kick-out rights. Other factors considered include the nature of relevant fee arrangements, the decision-making powers we hold as investment manager or adviser and whether the shares we hold include voting rights. Where we do not control the fund, our investment is classified within investments in fund products.

We only have limited exposure to the variable returns of the fund entities we manage unless we either hold an investment in the fund entity or receive the returns of the fund entity via a TRS or repo arrangement. For most fund entities: the existence of independent boards of directors; rights which allow for the removal of the investment manager or adviser; the influence of external investors; limited exposure to variable returns; and the arm's length nature of our contracts with those fund entities, indicate that we do not control them. As a result, the associated assets, liabilities, and results of these funds are not consolidated into the financial statements.

The assets held by the CLOs we consolidate are priced using independent pricing sources. Other than subordinated notes, the debt liabilities of consolidated CLOs are valued at par plus accrued interest, which is considered equivalent to fair value. The subordinated notes of these CLOs are priced using an intrinsic valuation approach, excluding any potential future value.

Investment property held by consolidated fund entities comprises land and buildings held to earn rent or for capital appreciation, or both, and is measured at cost less depreciation and impairment. Other than land, which is not depreciated, depreciation is calculated on a straight-line basis over the asset's estimated useful life (between three and 30 years).

Third-party interests in consolidated fund entities are measured at fair value, typically derived from the reported NAVs.

Fund product investments held for deferred compensation arrangements

We hold fund product investments related to deferred compensation arrangements to offset any change in the associated compensation cost over the vesting period. At vesting, the value of the fund investment is delivered to the employee. These fund product investments are measured at fair value and include balances held by the Employee Trust.

Investments in loans

From time to time, Man Group warehouses loans it underwrites and originates with the intention of syndicating such loans following a short period of time. These investments in loans are included within investments in fund products and other investments on the consolidated balance sheet and measured at fair value through profit or loss.

Hedge accounting

We apply cash flow hedge accounting to fund investments related to deferred fund product awards, whereby the offsetting gains or losses on these fund products are matched against the corresponding fund product-based payment compensation charge in the consolidated income statement pro rata over the vesting period. Gains or losses are recognised through other comprehensive income and held within the cash flow hedge reserve in equity until they are recycled over the vesting period into the consolidated income statement.

The seeding investments portfolio reflects our exposure to holdings in investments in fund products, as follows:

	2024 \$m	2023 \$m
Investments in fund products	231	289
Investments in loans	27	–
Investments in consolidated funds: CLO assets	1,453	1,103
Investments in consolidated funds: other transferable securities	702	884
Other investments	1	3
Investments in fund products and other investments	2,414	2,279
Less:		
Fund investments held for deferred compensation arrangements	(189)	(189)
Investments in consolidated funds: exclude consolidation gross-up of net investment	(1,692)	(1,492)
Other investments	(1)	(3)
Seeding investments portfolio	532	595

Included in fund investments held for deferred compensation arrangements at 31 December 2024 are balances of \$87 million (2023: \$101 million) which are expected to be settled after more than 12 months.

At 31 December 2024, exposure to fund products via TRS was \$232 million (2023: \$230 million). Additional exposure via repo arrangements (included within investments in fund products, with an offsetting repayment obligation included within trade and other payables) was \$16 million (2023: \$45 million). The largest single investment in fund products at 31 December 2024 was \$52 million (2023: \$88 million).

5.1. Net income or gains on investments and other financial instruments

	2024 \$m	2023 \$m
Net gains on seeding investments portfolio	47	47
Consolidated fund entities: gross-up of net gains on investments	32	39
Foreign exchange movements	6	(11)
Net gains on fund investments held for deferred compensation arrangements and other investments	3	1
Net income or gains on investments and other financial instruments	88	76

5.2. Consolidation of investments in funds

At 31 December 2024, our interests in 36 (2023: 35) funds, including CLOs, met the definition of control and have therefore been consolidated on a line-by-line basis.

Consolidated fund entities are included within the consolidated balance sheet and income statement as follows:

	2024 \$m	2023 \$m
Balance sheet		
Cash and cash equivalents	229	96
CLO assets ¹	1,453	1,103
Other transferable securities ¹	702	884
Fee and other receivables	6	88
Investment property	12	30
Trade and other payables	(20)	(116)
CLO liabilities	(1,366)	(1,036)
Net assets of consolidated fund entities	1,016	1,049
Third-party interest in consolidated funds	(553)	(554)
Net investment held by Man Group	463	495
Income statement		
Net gains on investments ²	62	90
Rental income ³	1	1
Management fee expenses ⁴	(9)	(5)
Performance fee expenses ⁴	(2)	(2)
Other costs ⁵	(12)	(9)
Net gains of consolidated fund entities	40	75
Third-party share of gains relating to interests in consolidated funds	(10)	(24)
Net gains attributable to net investment held by Man Group	30	51

Notes:

- 1 Included within investments in fund products and other investments.
- 2 Included within net income or gains on investments and other financial instruments.
- 3 Relates to rental income generated from investment property held by consolidated fund entities.
- 4 Relates to management and performance fees paid by the funds to Man Group during the year, which are eliminated within management and other fees and performance fees respectively in the consolidated income statement.
- 5 Includes depreciation, impairment and gains or losses on disposal of investment property held by consolidated fund entities.

Movements in the carrying value of investment property held by consolidated fund entities can be analysed as follows:

	2024 \$m	2023 \$m
Cost at beginning of the year	34	38
Additions	8	–
Disposals	(30)	(4)
Cost at end of the year	12	34
Accumulated depreciation and impairment at beginning of the year	(4)	(4)
Depreciation	–	(1)
Disposals	2	–
Reversal of impairment	2	1
Accumulated depreciation and impairment at end of the year	–	(4)
Net book value at beginning of the year	30	34
Net book value at end of the year	12	30

The fair value of investment property held by consolidated fund entities of \$16 million at 31 December 2024 (2023: \$30 million) is based on valuations provided by independent property experts or agreed sales prices.

6. Costs

Accounting policy

Distribution costs

Distribution costs, which are paid to external intermediaries for marketing and investor servicing, largely in relation to retail investors, are typically variable with AUM and the associated management fee revenue. Distribution costs are expensed over the period in which the service is provided.

Asset servicing costs

Asset servicing includes custodial, valuation, fund accounting, registrar, research and administration functions performed by third parties on behalf of the funds or managed accounts, as well as market data acquired under contract to Man Group. Asset servicing costs are recognised in the period in which the services are provided. The costs of these services vary based on transaction volumes, the number of funds or managed accounts and their NAVs, and the mix of client strategies.

Compensation costs

Salaries, variable cash compensation and social security costs are charged to the consolidated income statement in the period in which the service is provided and include partner drawings. In the short term, the variable component of compensation adjusts with revenues and profitability.

Compensation can be deferred by way of equity-settled share-based payment schemes and fund product-based compensation arrangements. Where deferred compensation relates to our fund products, the fair value of the employee services received in exchange for the fund investments is recognised as a straight-line expense of the mark-to-market value of the awards over the relevant vesting period, with a corresponding liability recognised in the consolidated balance sheet. We generally elect to separately purchase the equivalent fund investments at grant date to offset any associated change in the value of deferred compensation due, and on vesting the value of the fund investment is delivered to the employee (subject to the terms of the plan rules, which include malus provisions). If a fund product-based award is forfeited, the cumulative charge recognised in the consolidated income statement is reversed in full.

Other employment-related expenses

Other employment-related expenses relate to amounts payable to sellers of businesses acquired in exchange for post-acquisition services and are recognised in profit and loss up to the vesting of the put options over the sellers' non-controlling interests.

6.1. Compensation costs

	2024 \$m	2023 \$m
Salaries	219	201
Variable cash compensation	294	205
Deferred compensation: share-based payment charge	39	40
Deferred compensation: fund product-based payment charge	81	83
Social security costs	54	50
Pension costs (Note 13)	19	16
Compensation costs	706	595

Comprising:

Fixed compensation: salaries and associated social security costs, and pension costs	264	239
Variable compensation: variable cash compensation, deferred compensation and associated social security costs	442	356

The unamortised deferred compensation at 31 December 2024 is \$103 million (2023: \$120 million) and has a weighted average remaining vesting period of 2.1 years (2023: 2.2 years).

We recognised \$22 million of non-recurring restructuring costs in the year ended 31 December 2024 (2023: nil), included within variable compensation costs. These costs were incurred in realigning our resources with the future requirements of the business.

Average headcount

The table below details average headcount by function, including directors, employees, partners and contractors.

	2024	2023
Investment management	456	469
Sales and marketing	288	251
Technology and infrastructure	1,058	996
Average headcount	1,802	1,716
Headcount at 31 December	1,777	1,790

6.2. Other employment-related expenses

Other employment-related expenses of \$38 million (2023: \$23 million) comprise amounts which would be payable to the sellers of businesses acquired on exercise of the put options to acquire their non-controlling interests, and the distributions of those sellers' proportionate share of post-acquisition profits. Of the total expense recognised, \$10 million (2023: \$2 million) relates to the proportionate share of profits earned in the year.

The associated employment-related payables at 31 December 2024 of \$56 million (2023: \$23 million) are accounted for as cash-settled share-based payments (Note 25).

The valuation uses forecast cash flows based on management's best estimate of future profits. These cash flows are underpinned by our medium-term plan for the three years post the balance sheet date, and appropriate growth assumptions for the remainder of the period until the final settlement date in 2034. A terminal value multiple in line with the market is applied to the profits in the final year to determine the value of the amounts payable to the sellers on exercise of the put options over their non-controlling interests. The discount rates used have been benchmarked against external comparables and reflect the risks inherent in the future cash flows. The forecast distributions for the period up to the exercise date of the put option in 2034 are accumulated and expensed over the minimum service periods ending between 2026 and 2029. The present value of the forecast settlement amount of the put option is expensed over the same vesting periods.

Valuation assumptions

	2024	2023
Discount rate		
– Management fee earnings	11%	11%
– Performance fee earnings	17%	17%

Sensitivity analysis

The value recognised for other employment-related expenses is an area of significant estimation uncertainty as the fair value has been determined with reference to the expected future value and performance of a portion of the business. The estimates will be updated in each reporting period until the associated liabilities are settled. The table below illustrates the impact of changing the most significant assumptions used in the expected future value calculation on the expense recognised in the consolidated income statement.

\$m	Increase/(decrease) in employment-related expense	
	2024	
Discount rate decreased/(increased) by 5%	25	(16)
Forecast growth in future cash flows increased/(decreased) by 50%	16	(11)

6.3. Other costs

	2024 \$m	2023 \$m
Audit, tax, legal and other professional fees	27	24
Technology and communications	27	24
Staff benefits	23	19
Occupancy	18	20
Temporary staff, recruitment, consultancy and managed services	15	13
Travel and entertainment	12	11
Marketing and sponsorship	7	5
Insurance	5	5
Costs associated with legal claims	4	1
Other cash costs	14	10
Other costs – consolidated fund entities (Note 5.2)	12	9
Acquisition-related costs	–	9
Other costs before depreciation and amortisation	164	150
Depreciation of right-of-use lease assets (Note 8.2)	15	14
Depreciation of leasehold improvements and equipment (Note 16)	11	12
Amortisation of software intangible assets (Note 17)	25	22
Total other costs	215	198

Auditor remuneration

	2024 \$m	2023 \$m
Fees payable to the external auditor for the audit of the consolidated financial statements	1.0	1.0
Other services:		
The audit of the Company's subsidiaries pursuant to legislation	3.2	2.7
Audit-related assurance services	0.5	0.5
All other services	0.4	0.3
Total auditor's remuneration	5.1	4.5

7. Finance income and finance expense

	2024 \$m	2023 \$m
Finance income		
Interest on cash deposits	12	12
Unwind of net investment in finance lease discount (Note 8.1)	3	1
Total finance income	15	13
Finance expense		
Unwind of lease liability discount (Note 8.2)	(11)	(10)
Interest expense on total return swaps and sale and repurchase agreements	(15)	(12)
Other finance expense	(12)	(12)
Total finance expense	(38)	(34)
Net finance expense	(23)	(21)

8. Leases and rental income

8.1. Man Group as lessor

Accounting policy

Man Group's lease arrangements primarily relate to business premises property leases. We act as intermediate lessor in respect of certain right-of-use (ROU) lease assets which are in turn sub-let to third parties. We assess whether a contract is or contains a lease at the inception of the contract. The lease term is determined as the non-cancellable period of a lease, together with periods covered by an option to extend the lease if we consider that exercise of the extension option is reasonably certain and periods covered by an option to terminate the lease if the break option is reasonably certain not to be exercised. Lease extension options and break clauses inherent in our sub-leases do not have a significant impact.

Finance leases

Whenever the terms of a sub-lease transfer substantially all risks and rewards of ownership of the underlying ROU lease asset to the lessee, we classify the contract as a finance lease. This is typically when the end of the sub-lease term aligns with the end of our head lease, with no break option. Amounts due from lessees under finance leases are recognised as receivables at the amount of the net investment in the lease. The net investment in the lease is measured at the present value of the lease payments receivable over the lease term and any upfront incremental costs of obtaining the lease, discounted using our incremental cost of borrowing under the head lease. The net investment in the lease is adjusted for lease payments and finance lease interest as well as the impact of any subsequent lease modifications. Finance lease interest is included within finance income.

Operating leases

Sub-leases which do not meet the definition of a finance lease are classified as operating leases. Sub-lease rental income is recognised on a straight-line basis over the lease term in the consolidated income statement.

An impairment expense is recognised for the amount by which the related ROU lease asset's carrying value exceeds its recoverable amount, being its value in use. For the purposes of assessing impairment, investment property ROU lease assets are grouped at the lowest levels for which there are separately identifiable cash flows, being the individual sub-lease contract level.

The contractual undiscounted lease payments receivable under operating and finance leases were as follows:

\$m	2024		2023	
	Operating leases	Finance leases	Operating leases	Finance leases
Within one year	1	3	2	–
Between one and two years	–	5	1	3
Between two and three years	1	10	–	5
Between three and four years	1	11	–	9
Between four and five years	–	11	–	10
Between five and ten years	–	54	–	47
Between ten and 15 years	–	9	–	17
	3	103	3	91

At 31 December 2024, the contractual undiscounted minimum finance lease payments receivable can be reconciled to the net investment in finance lease as follows:

	2024 \$m	2023 \$m
Undiscounted lease payments	103	91
Less: unearned finance income	(26)	(24)
Net investment in finance lease	77	67

Movements in the net investment in finance lease are as follows:

	2024 \$m	2023 \$m
At beginning of the year	67	–
Additions	9	65
Unwind of finance lease discount	3	1
Foreign exchange movements	(2)	1
At end of the year	77	67

Fair value of investment property

	2024 \$m	2023 \$m
Value in use	16	23
Less:		
Carrying value	(13)	(17)
Headroom	3	6

Sub-lease rental income from operating leases was \$2 million in 2024 (2023: \$5 million). Operating expenses of \$1 million (2023: \$5 million) arising from investment property that did not generate rental income during the period are included within other costs.

In 2024, we signed a sub-lease for a portion of the vacant space in our main premises in London. As the sub-lease extends to close to the end of the head lease with no break option, it is classified as a finance lease. On lease commencement, we recognised a finance lease receivable. The derecognition of the associated ROU lease asset resulted in a gain on disposal of \$3 million (2023: \$12 million) being recognised in the consolidated income statement.

8.2. Man Group as lessee

Accounting policy

For arrangements where we are the lessee, a ROU lease asset and a related lease liability are recognised on the consolidated balance sheet at the date from which we have the right to use the asset, usually the lease commencement date. For short-term leases (defined as leases with a term of one year or less) and leases of low-value assets, we recognise the lease payments on a straight-line basis over the lease term within other costs in the consolidated income statement. The exercise of break clauses inherent in our leases are typically not reflected in the lease term other than on the occurrence of a significant event or change in circumstances.

ROU lease assets relating to the portion of our leased business premises which we then sub-let under operating leases are classified as investment property, with other ROU lease assets classified as leasehold property. Transfers from investment property to leasehold property occur when we commence development of a previously sub-let portion of our leased business premises with a view to occupying that space. Similarly, transfers from leasehold property to investment property occur when we cease to occupy a portion of the leased business premises with the intention of sub-letting that space under an operating lease. Investment property ROU lease assets are derecognised when the associated space is sub-let under a finance lease, with a finance lease receivable recognised in the consolidated balance sheet on lease commencement.

All of our ROU lease assets, including those classified as investment property, are measured at cost less depreciation and impairment. Cost includes the amount of the initial measurement of the associated lease liability, lease payments made at or before the lease commencement date, lease incentives received, associated leasehold improvements classified as investment property and estimated costs to be incurred in restoring the property to the condition required under the terms of the lease. Depreciation is calculated on a straight-line basis over the asset's estimated useful life, which for leasehold improvements classified as investment property is the shorter of the lease term and the life of the improvement (up to 24 years) and for all other assets is the lease term and is included within other costs. We assess ROU lease assets for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

All lease liabilities are measured at the present value of lease payments due over the lease term, discounted using our incremental cost of borrowing (being the rate we would have to pay to finance a similar asset) at the lease commencement date or the modification date. The lease liability is adjusted for lease payments and unwind of lease liability discount as well as the impact of any subsequent lease modifications. The unwind of lease liability discount is included within finance expense.

Cash payments in relation to leases, which reduce the lease liability recognised on the consolidated balance sheet, are presented as payment of lease interest (within operating activities) and repayments of principal lease liability (within financing activities) in the consolidated cash flow statement. Payments in relation to short-term leases and leases of low-value assets are included within cash flows from operating activities.

Right-of-use lease assets

\$m	2024			2023		
	Leasehold property	Investment property	Total	Leasehold property	Investment property	Total
Cost at beginning of the year	199	101	300	169	242	411
Acquired through business combinations	–	–	–	22	–	22
Additions	5	–	5	3	–	3
Disposals	(2)	(50)	(52)	–	(141)	(141)
Remeasurement on modification	(14)	–	(14)	5	–	5
Cost at end of the year	188	51	239	199	101	300
Accumulated depreciation and impairment at beginning of the year	(87)	(84)	(171)	(77)	(171)	(248)
Disposals	2	48	50	–	91	91
Depreciation	(13)	(2)	(15)	(10)	(4)	(14)
Accumulated depreciation and impairment at end of the year	(98)	(38)	(136)	(87)	(84)	(171)
Net book value at beginning of the year	112	17	129	92	71	163
Net book value at end of the year	90	13	103	112	17	129

Lease liability

The maturity of our contractual undiscounted cash flows for the lease liability is as follows:

	2024 \$m	2023 \$m
Within one year	19	32
Between one and five years	120	114
Between five and ten years	138	142
Between ten and 15 years	28	54
Undiscounted lease liability at end of the year	305	342
Discounted lease liability at end of the year	248	283

Of the total discounted lease liability at 31 December 2024 of \$248 million (2023: \$283 million), \$10 million (2023: \$21 million) is expected to be settled within 12 months.

Movements in the lease liability are as follows:

	2024 \$m	2023 \$m
At beginning of the year	283	253
Acquired through business combinations	–	22
Additions	5	3
Cash payments	(33)	(20)
Unwind of lease liability discount	11	10
Remeasurement on modification	(14)	5
Foreign exchange movements	(4)	10
At end of the year	248	283

9. Goodwill and acquired intangibles

Accounting policy

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interest over the fair value of the identifiable net assets of the acquired business at the date of acquisition. Goodwill is carried on the consolidated balance sheet at cost less accumulated impairment, has an indefinite useful life, is not subject to amortisation and is tested for impairment annually, or whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment expense is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount of our group of cash-generating units (CGUs) is assessed each year using a value in use calculation.

Goodwill does not generate cash flows independently of other groups of assets and thus is assigned to a group of CGUs for the purposes of impairment testing. Our CGUs are aggregated into a single group for impairment testing purposes, reflecting the lowest level at which goodwill is monitored by management and which incorporates our private market asset managers alongside our liquid asset managers.

The value in use calculation uses cash flow projections based on the Board-approved financial plan for the subsequent three-year period from the balance sheet date, plus a terminal value. The valuation analysis is based on best practice guidance whereby a terminal value is calculated at the end of a discrete budget period and assumes, after this three-year budget period, no growth in asset flows above the long-term growth rate.

The assumptions applied in the value in use calculation are derived from past experience and assessment of current market inputs. We have applied a bifurcated discount rate to the modelled cash flows to reflect the different risk profile of management fee profits and performance fee profits. The discount rates are based on our weighted average cost of capital using a risk-free interest rate, together with an equity market risk premium and an appropriate market beta derived from consideration of our own beta, similar alternative asset managers, and the asset management sector as a whole. The terminal value is calculated based on the projected closing AUM at the end of the three-year forecast period and applying the mid-point of a range of historical multiples to the forecast cash flows associated with management and performance fee profits.

The value in use calculation is presented on a post-tax basis, consistent with the prior year, given most comparable market data is available on a post-tax basis. This is not significantly different to its pre-tax equivalent.

Acquired intangibles

Intangible assets acquired in a business combination and recognised separately from goodwill are initially measured at their fair value at the acquisition date. Following initial recognition, acquired intangibles are held at cost less accumulated amortisation and impairment. Acquired intangibles comprise investment management agreements and related client relationships (IMAs), distribution channels and brand names and are initially recognised at fair value based on the present value of the expected future cash flows and are amortised on a straight-line basis over their expected useful lives, which are between seven and 15 years (IMAs and brands), and eight and 12 years (distribution channels). Acquired intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Disposals of acquired intangibles are recognised in the year the related cash inflows are transferred.

\$m	2024			2023				
	Goodwill	IMAs	Brand names and distribution channels	Total	Goodwill	IMAs	Brand names and distribution channels	Total
Cost at beginning of the year	2,455	974	103	3,532	2,425	834	96	3,355
Acquired through business combinations	–	–	–	–	30	140	7	177
Cost at end of the year	2,455	974	103	3,532	2,455	974	103	3,532
Accumulated amortisation and impairment at beginning of the year	(1,836)	(824)	(96)	(2,756)	(1,836)	(801)	(91)	(2,728)
Amortisation	–	(23)	(1)	(24)	–	(22)	(3)	(25)
Impairment	–	–	–	–	–	(1)	(2)	(3)
Accumulated amortisation and impairment at end of the year	(1,836)	(847)	(97)	(2,780)	(1,836)	(824)	(96)	(2,756)
Net book value at beginning of the year	619	150	7	776	589	33	5	627
Net book value at end of the year	619	127	6	752	619	150	7	776

Goodwill impairment assumptions

Key assumptions at 31 December 2024 and 31 December 2023	Pre-tax equivalent	Assumptions adopted ¹
Compound average annualised growth in AUM (over three years)		6%
Discount rate		
– Management fee earnings	14%	11%
– Performance fee earnings	22%	14%
Terminal value (mid-point of range of historical multiples)		
– Management fee earnings		13.0x
– Performance fee earnings		5.5x
– Implied terminal growth rate		3%

Note:

1 Earnings discount rate assumptions are presented post-tax. Earnings multiples are applied to the forward year.

Goodwill impairment and sensitivity analyses

Details of the valuations are provided below, including sensitivity tables which show scenarios whereby the key assumptions are changed to stressed assumptions, indicating the modelled headroom or impairment that would result. We have considered reasonably foreseeable changes in the compound average annualised growth in AUM forecast assumption, stressing this by 2% and the lower of 10% or to the point at which impairment would arise. Each assumption, or set of assumptions, is stressed in isolation. The results of these sensitivities make no allowance for mitigating actions that management would take if such market conditions persisted.

	2024 \$m	2023 \$m
Value in use	5,090	5,560
Less:		
Carrying value of CGUs	(870)	(880)
Headroom	4,220	4,680

Sensitivity analysis at 31 December 2024	Compound average annualised growth in AUM			Discount rates (post-tax)		Multiples (post-tax)	
	6%	4%	(4)% ¹	10%/16%	12%/18%	14.0x/6.5x	12.0x/4.5x
Key assumption stressed to:							
Modelled headroom (\$m)	4,220	3,680	1,690	4,340	4,100	4,650	3,790
Increase/(reduction) in value in use (\$m)		(540)	(2,530)	120	(120)	430	(430)

Sensitivity analysis at 31 December 2023	Compound average annualised growth in AUM			Discount rates (post-tax)		Multiples (post-tax)	
	6%	4%	(4)% ¹	10%/16%	12%/18%	14.0x/6.5x	12.0x/4.5x
Key assumption stressed to:							
Modelled headroom (\$m)	4,680	4,150	2,190	4,810	4,550	5,140	4,220
Increase/(reduction) in value in use (\$m)		(530)	(2,490)	130	(130)	460	(460)

Note:

1 Stressed by 10%, as opposed to the point of impairment, given an impairment scenario is not reasonably foreseeable.

Impairment of acquired intangibles

In 2023, acquired intangibles with a carrying value of \$3 million were fully impaired following the termination of the IMAs to which they relate.

10. Investments in associates

Accounting policy

Associates are entities in which Man Group holds an interest and over which we have significant influence but not control. In assessing significant influence, we consider our power to participate in the financial and operating policy decisions of the investee through its voting or other rights.

Associates are accounted for using the equity method. Under the equity method, associates are carried at cost plus our share of cumulative post-acquisition movements in undistributed profits/losses. Gains and losses on transactions between Man Group and our associates are eliminated to the extent of our interests in these entities. An impairment assessment of the carrying value of associates is performed annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, with any impairment recognised in the consolidated income statement.

	2024 \$m	2023 \$m
At beginning of the year	11	14
Return of capital	(1)	–
Share of post-tax loss	(2)	(3)
At end of the year	8	11

In 2021, we acquired a 23% interest in Hub Technology Partners Ltd (HUB) for cash of \$19 million and \$1 million in contribution of other assets. We have assessed the carrying value of our investment in HUB for impairment following a revision to its business plan. As the carrying value has been significantly reduced due to losses incurred during the development phase, we do not consider our investment to be impaired.

11. Tax

Accounting policy

Tax expense

Tax expense is based on our taxable profit for the year. While the Company is domiciled in Jersey, it is UK tax resident due to management and control being exercised in the UK. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years, in addition to items that are never taxable or deductible. Accounting for tax involves a level of estimation uncertainty given the application of tax law requires a degree of judgement, which tax authorities may dispute. Tax liabilities are recognised based on the best estimates of probable outcomes, with regard to external advice where appropriate.

We are a global business and therefore operate across multiple different tax jurisdictions. Income and expenses are allocated to these different jurisdictions based on transfer pricing methodologies set in accordance with the laws of the jurisdictions in which we operate, and international guidelines as laid out by the Organisation for Economic Co-operation and Development (OECD). The effective tax rate results from the combination of taxes paid on earnings attributable to the tax jurisdictions in which they arise.

Deferred tax

Deferred tax is recognised using the balance sheet liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities when they relate to income taxes levied by the same taxation authority and we intend to settle those current tax assets and liabilities on a net basis.

11.1 Tax expense

Factors affecting the tax expense for the year

The majority of our profits in the period were earned in the UK, Switzerland and the US. Our tax expense is the same as (2023: lower than) the amount that would arise using the theoretical tax rate applicable to our profits as follows:

	2024 \$m	2023 \$m
Profit before tax	398	279
Theoretical tax expense at UK rate: 25% (2023: 23.5%)	100	66
Effect of:		
Overseas tax rates different to UK	(2)	(4)
Adjustments to tax charge in respect of previous years	1	(2)
Recognition of US deferred tax assets	(1)	(19)
Recognition of other deferred tax assets	(6)	–
State taxes	3	–
Pillar 2 top-up taxes	1	–
Other	4	4
Tax expense	100	45

The tax expense for the year comprises the following:

	2024 \$m	2023 \$m
Current tax		
UK corporation tax on profits	76	56
Foreign tax	16	14
Adjustments to tax charge in respect of previous years	(2)	(5)
Current tax expense	90	65
Deferred tax		
Origination and reversal of temporary differences	7	(23)
Adjustments to tax charge in respect of previous years	3	3
Deferred tax expense/(credit)	10	(20)
Total tax expense	100	45

The effective tax rate in the year was 25% (2023: 16%).

Factors affecting our future tax charges

The principal factors which may influence our future tax rate are changes in tax legislation in the territories in which we operate, the mix of income and expenses earned and incurred by jurisdiction, and the consumption of available deferred tax assets.

Man Group became subject to the global minimum top-up tax under Pillar 2 legislation from 1 January 2024 and may be liable for additional taxes in certain jurisdictions in which we operate, notably Ireland, the US and Switzerland. No material Pillar 2 current tax expense has been recognised in the year ended 31 December 2024. We continue to assess the impact of the Pillar 2 legislation on our future financial performance but do not expect this to become material.

We have applied the temporary exception from the accounting requirements for deferred taxes in IAS 12 'Income Taxes'. Accordingly, Man Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar 2 income taxes.

11.2 Current tax assets and liabilities

The movements in our net current tax assets/liabilities are as follows:

	2024 \$m	2023 \$m
Net current tax asset/(liability) at beginning of the year	12	(37)
Charge to the consolidated income statement	(90)	(65)
Credit to equity	3	5
Tax paid	83	100
Other balance sheet movements	7	6
Foreign currency translation	(1)	3
Net current tax asset at end of the year	14	12

11.3 Deferred tax assets and liabilities

The movements in our net deferred tax assets and liabilities by category are as follows:

\$m	Deferred compensation	Tax allowances over/(below) depreciation	Intangibles	Accumulated operating losses	Partnerships	Other	Total
At 1 January 2023	51	10	12	23	–	9	105
Credit to consolidated income statement	3	(8)	1	23	–	1	20
Credit to other comprehensive income and equity	3	–	–	–	–	–	3
At 31 December 2023	57	2	13	46	–	10	128
Charge to consolidated income statement	12	(4)	(1)	(21)	2	2	(10)
Charge to other comprehensive income and equity	(1)	–	–	–	–	–	(1)
At 31 December 2024	68	(2)	12	25	2	12	117

The gross amounts for which deferred tax assets have not been recognised are as follows:

	2024 \$m	2023 \$m
United States	24	43
Switzerland	19	64
United Kingdom	–	12
Hong Kong	4	4
China	1	1
Total	48	124

Of the total \$48 million unrecognised available gross deferred tax assets, \$19 million will expire between 2027 and 2029, \$24 million will expire by 2038 and \$5 million have no expiry.

US deferred tax assets

We have recognised accumulated deferred tax assets in the US of \$76 million (2023: \$86 million) that will be available to offset future taxable profits. At 31 December 2024, deferred tax assets relating to \$2 million of the available US state and city tax losses (2023: \$3 million) are unrecognised as we do not expect to realise sufficient future taxable profits against which these losses can be offset before they expire in 2038. We have now utilised substantially all of our federal tax losses and therefore expect to pay tax on any profits we may generate in the US in the future.

US net deferred tax assets	2024 \$m	2023 \$m
Recognised		
At beginning of the year	86	64
Credit/(charge) to consolidated income statement:		
Recognition of available tax assets	1	19
Utilisation	(11)	–
Other movements	–	3
At end of the year	76	86
Unrecognised		
At beginning of the year	3	18
Recognition of available tax assets	(1)	(19)
Other movements	–	4
At end of the year	2	3

12. Earnings per share (EPS)

Movements in the number of ordinary shares in issue and the shares used to calculate basic and diluted EPS are provided below.

	2024		2023	
	Total number	Weighted average	Total number	Weighted average
Number of shares at beginning of year	1,313,349,959	1,313,349,959	1,350,556,782	1,350,556,782
Cancellation of own shares held in Treasury	(39,400,499)	(31,003,671)	(37,206,823)	(30,339,448)
Number of shares at end of the year	1,273,949,460	1,282,346,288	1,313,349,959	1,320,217,334
Shares held in Treasury share reserve	(84,044,723)	(86,618,732)	(110,774,081)	(107,401,080)
Man Group plc shares held by Employee Trust	(35,203,028)	(35,670,938)	(35,289,202)	(35,073,864)
Basic number of shares	1,154,701,709	1,160,056,618	1,167,286,676	1,177,742,390
Dilutive impact of:				
Employee share awards		28,072,378		27,671,674
Employee share options		946,849		1,641,378
Dilutive number of shares		1,189,075,845		1,207,055,442
		2024		2023
Statutory profit (\$m)		298		234
Basic EPS		25.7¢		19.9¢
Diluted EPS		25.1¢		19.4¢

13. Pension

Accounting policy

We operate multiple defined contribution plans in the regions in which we operate and two (2023: two) material funded defined benefit plans.

Defined contribution plans

We pay contributions to publicly or privately administered pension plans on a mandatory, contractual or voluntary basis. We have no further payment obligation once the contributions have been paid. Defined contribution costs are recognised as pension costs within compensation in the consolidated income statement when they are due.

Defined benefit plans

A defined benefit plan creates a financial obligation to provide funding to the pension plan to provide a retired employee with pension benefits usually dependent on one or more factors such as age, years of service and compensation. As with the vast majority of similar arrangements, we ultimately underwrite the risks related to the defined benefit plans. The risks to which this exposes us include:

- Uncertainty in benefit payments: the value of our liabilities for post-retirement benefits will ultimately depend on the amount of benefits paid out. This in turn will depend on the level of inflation (for those benefits that are subject to some form of inflation protection) and how long individuals live.
- Volatility in asset values: we are exposed to future movements in the values of assets held in the plans to meet future benefit payments.
- Uncertainty in cash funding: movements in the values of the obligations or assets may result in us being required to provide higher levels of cash.

The two material defined benefit plans operated are the Man Group plc Pension Fund in the UK (the UK Plan) and the Man Group Pension Plan in Switzerland (the Swiss Plan).

UK Plan

The UK Plan is operated separately from Man Group and managed by independent trustees. The trustees are responsible for payment of the benefits and management of the UK Plan's assets. Under UK regulations, Man Group and the trustees of the UK Plan are required to agree a funding strategy and contribution schedule for the UK Plan. We have concluded that we have no requirement to adjust the balance sheet to recognise either a current surplus or a minimum funding requirement on the basis that we have an unconditional right to a refund of a current or projected future surplus at some point in the future.

The UK Plan was closed to new members in May 1999, to future accrual in May 2011 and has no active members.

Swiss Plan

In Switzerland, we operate a retirement foundation whose assets are held separately from Man Group. This foundation covers the majority of employees in Switzerland and provides benefits on a cash balance basis. Each employee has a retirement account to which the employee and Man Group make contributions at rates set out in the plan rules based on a percentage of salary. Every year the pension fund commission (composed of employer and employee representatives) decides the level of interest, if any, to apply to retirement accounts based on their agreed policy. At retirement, an employee can take their retirement account as a lump sum or have this paid as a pension.

As the Swiss Plan is essentially a defined contribution plan with guarantees, the assets held aim to be at least as much as the total of the member account balances at any point in time. Member account balances cannot reduce, but interest is only applied to the account balances when sufficient surplus assets are available. As such, there is no specific asset/liability matching strategy in place, but if the liabilities (the sum of the member account balances) ever exceed the value of the assets, we will consider how to remove a deficit as quickly as possible. The Swiss Plan surplus is restricted by the value of the employer contribution reserve, which provides the asset ceiling on amounts available to Man Group.

Defined contribution plans

Defined contribution plan costs totalled \$17 million for the year to 31 December 2024 (2023: \$14 million).

Defined benefit plans

At 31 December 2024, the UK Plan comprised 88% (31 December 2023: 89%) of our total defined benefit pension obligations.

	2024 \$m	2023 \$m
Present value of funded obligations	(259)	(292)
Fair value of plan assets	272	304
Net pension asset	13	12

Impact on the consolidated financial statements

Changes in the present value of the defined benefit obligations and the fair value of the plan assets are as follows:

\$m	2024			2023		
	Assets	Liabilities	Net pension asset/ (liability)	Assets	Liabilities	Net pension asset/ (liability)
At beginning of the year	304	(292)	12	294	(272)	22
Amounts recognised in profit and loss:						
Current service cost to employer	–	(1)	(1)	–	(1)	(1)
Interest income/(cost)	12	(12)	–	13	(12)	1
Past service cost	–	–	–	–	(1)	(1)
Running costs	(1)	–	(1)	(1)	–	(1)
Amounts recognised in other comprehensive income:						
Remeasurements due to:						
– changes in financial assumptions	–	23	23	–	(9)	(9)
– changes in demographic assumptions	–	2	2	–	4	4
– experience adjustments	–	–	–	–	(2)	(2)
– actual return on plan assets less interest on plan assets	(23)	–	(23)	(3)	–	(3)
Employer contributions (including plan funding)	1	–	1	1	–	1
Employee contributions	1	(1)	–	1	(1)	–
Foreign currency translation	(7)	7	–	17	(16)	1
Benefit payments	(15)	15	–	(18)	18	–
At end of the year	272	(259)	13	304	(292)	12

No contributions were paid to the UK Plan in 2024 (2023: none).

Actuarial assumptions used

The most significant actuarial assumptions used in the valuations of the two plans are as follows:

	UK Plan		Swiss Plan	
	2024 % p.a.	2023 % p.a.	2024 % p.a.	2023 % p.a.
Discount rate	5.5	4.5	1.1	1.5
Price inflation	3.2	3.1	1.0	1.2
Future salary increases	–	–	1.0	1.2
Pension payment increases	3.7	3.7	–	–
Deferred pensions increases	5.0	5.0	–	–
Interest crediting rate	–	–	1.3	1.5
Social security increases	–	–	1.0	1.0

Illustrative life expectancy assumptions are set out in the table below.

Years	UK Plan		Swiss Plan	
	2024	2023	2024	2023
Life expectancy of male aged 60 at year-end	26.5	26.5	27.9	27.8
Life expectancy of male aged 60 in 20 years	28.0	28.0	30.3	30.2
Life expectancy of female aged 60 at year-end	29.4	29.3	29.8	29.7
Life expectancy of female aged 60 in 20 years	30.8	30.7	31.8	31.7

The duration of a pension plan is the average term over which the plan's benefits are expected to fall due, weighted by the present value of each expected benefit payment. The duration of the UK Plan is approximately 11 years, and the duration of the Swiss Plan is approximately 16 years.

Sensitivity analysis

The table below illustrates the impact on the assessed value of the benefit obligations from changing the most sensitive actuarial assumptions in isolation. The calculations have been carried out using the same method and data as our pension figures. A combination of changes in assumptions could produce a different result.

\$m	Increase in obligation at 31 December 2024		Increase in obligation at 31 December 2023	
	UK Plan	Swiss Plan	UK Plan	Swiss Plan
Discount rate decreased by 0.5% p.a.	13	3	16	3
Inflation rate increased by 0.5% p.a.	4	–	5	–
One-year increase in assumed life expectancy	8	–	10	–

Pension asset investments

The assets held by the two plans at 31 December 2024 are as follows:

\$m	UK Plan		Swiss Plan	
	2024	2023	2024	2023
Bonds	92	52	15	13
Liability-driven investments (LDI)	43	83	–	–
Fund investments	43	82	3	3
Index-linked government bonds	29	33	–	–
Equities	–	–	10	11
Property	–	–	2	2
Cash	33	23	2	1
Other	–	–	–	1
Total assets	240	273	32	31

The UK Plan investment strategy is set by the trustees. The current strategy is broadly split into growth and matching portfolios, with the growth portfolio invested in Man Diversified Risk Premia. The matching portfolio is invested primarily in government and corporate bonds (the latter through absolute return bonds and buy and maintain credit holdings), and LDI funds. The UK Plan investment strategy hedges around 100% of the movement in the 'technical provisions' funding measure (as opposed to the accounting measure under IAS 19 'Employee Benefits') for both interest rate and inflation expectation changes.

Part of the investment objective of the UK Plan is to minimise fluctuations in the UK Plan's funding levels due to changes in the value of the liabilities. This is primarily achieved using the LDI funds, which aim to hedge movements in the pension liability due to changes in interest rate and inflation expectations. LDI primarily involves the use of government bonds (including repurchase agreements) and derivatives such as interest rate and inflation swaps. There are no annuities or longevity swaps. These instruments are typically priced and collateralised daily by the UK Plan's LDI manager and/or central clearing houses. Given that the purpose of LDI is to hedge corresponding liability exposures, the main risk is that the investments held move differently to the liability exposures. This risk is managed by the trustees, their advisers and the UK Plan's LDI manager, who regularly assess the position.

A rise in nominal and real gilt yields over the year to 31 December 2024 saw some significant movements in the UK Plan's hedging assets. There was limited impact on the UK Plan other than a fall in the value of the LDI funds due to the high level of hedging. The UK Plan's investments were rebalanced regularly, and the target hedging level of 100% of interest rates and inflation was preserved throughout the period, with the funding level volatility relatively muted as a result. At 31 December 2024, the UK Plan's hedging assets continued to hedge around 100% of interest rates and inflation on the technical provisions basis (2023: 100%). The level of leverage utilised was in line with regulatory requirements. The UK Plan maintains a collateral waterfall and has additional sources of short-term cash from the trustee bank account, and access to daily-dealing funds should further collateral calls be made.

The government bond and buy and maintain corporate bond assets have prices quoted in active markets and the absolute return bonds, LDI and Man Diversified Risk Premia are primarily unquoted. At 31 December 2024, around 28% of the UK Plan assets relate to those with quoted prices and 72% with unquoted prices (2023: around 28% quoted and 72% unquoted). The UK Plan does not invest directly in property occupied by Man Group or our shares.

14. Cash, liquidity and borrowings

Accounting policy

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term investments in money market funds or bank deposits with an original maturity of three months or less. Cash and cash equivalents are measured at amortised cost, which is approximately equal to fair value. Cash and cash equivalents include restricted balances held by consolidated fund entities to which we do not have access, and which are subject to legal or contractual restrictions as to their use.

Borrowings

Borrowings comprise amounts drawn under committed revolving credit facilities. Borrowings are initially recorded at fair value and subsequently measured at amortised cost. Drawdowns under revolving credit facilities are typically for maturities of one month or less and are therefore presented net of repayments in the consolidated cash flow statement.

	2024 \$m	2023 \$m
Cash held with banks	162	92
Short-term deposits	24	46
Money market funds	39	42
Cash held by consolidated fund entities (Note 5.2)	229	96
Cash and cash equivalents	454	276
Less: cash held by consolidated fund entities (Note 5.2)	(229)	(96)
Available cash and cash equivalents	225	180
Undrawn committed revolving credit facility ¹	800	660
Total liquidity	1,025	840

Note:

¹ Excludes the \$300 million facility acquired in 2023. This facility was undrawn at 31 December 2023 and cancelled in January 2024.

Borrowings

Our \$800 million committed revolving credit facility (RCF) was put in place in December 2023 as a five-year facility. As the first of two one-year extension options was exercised in the year, the facility is currently scheduled to mature in December 2029. The RCF was undrawn at 31 December 2024 (2023: \$140 million drawn down).

15. Fee and other receivables

Accounting policy

Fee and other receivables are initially recorded at fair value and subsequently measured at amortised cost using the effective interest rate method, except for derivatives (measured at fair value through profit and loss) and prepayments. Fee receivables and accrued income relate to management and performance fees and are received in cash following finalisation of the NAVs of the underlying funds or managed accounts.

	2024 \$m	2023 \$m
Financial assets at amortised cost		
Fee receivables	26	25
Accrued income	258	274
Collateral posted with derivative counterparties	47	48
Receivables from Open Ended Investment Company (OEIC) funds	46	39
Other fund receivables	28	29
Other receivables	48	20
Receivables relating to consolidated fund entities (Note 5.2)	6	88
	459	523
Financial assets at fair value through profit or loss		
Derivatives	5	5
	5	5
Non-financial assets		
Prepayments	28	23
	28	23
Total fee and other receivables	492	551

Included in fee and other receivables at 31 December 2024 are balances of \$2 million (2023: \$2 million) which are expected to be settled after more than 12 months.

16. Leasehold improvements and equipment

Accounting policy

All leasehold improvements and equipment are recorded at cost less depreciation and impairment. Cost includes the original purchase price of the asset and costs directly attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated using the straight-line method over the asset's estimated useful life, which for leasehold improvements is the shorter of the life of the lease and that of the improvement (up to 24 years) and for equipment is between three and ten years.

\$m	2024			2023		
	Leasehold improvements	Equipment	Total	Leasehold improvements	Equipment	Total
Cost at beginning of the year	73	67	140	70	61	131
Acquired through business combinations	–	–	–	–	1	1
Additions	3	15	18	4	8	12
Disposals	(5)	(6)	(11)	(1)	(3)	(4)
Cost at end of the year	71	76	147	73	67	140
Accumulated depreciation and impairment at beginning of the year	(39)	(48)	(87)	(36)	(42)	(78)
Disposals	3	6	9	–	3	3
Depreciation	(3)	(8)	(11)	(3)	(9)	(12)
Accumulated depreciation and impairment at end of the year	(39)	(50)	(89)	(39)	(48)	(87)
Net book value at beginning of the year	34	19	53	34	19	53
Net book value at end of the year	32	26	58	34	19	53

17. Software intangible assets

Accounting policy

Following initial recognition, software intangible assets are held at cost less accumulated amortisation and impairment. Cost includes costs that are directly associated with the procurement or development of identifiable and unique software products which will generate economic benefits exceeding costs beyond one year. Capitalised software intangible assets are amortised on a straight-line basis over their estimated useful lives (three years), with amortisation expense included within other costs in the consolidated income statement. Software intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Additions primarily relate to the continued investment in our operating platforms.

	2024 \$m	2023 \$m
Cost at beginning of the year	172	148
Acquired through business combinations	–	1
Additions	28	25
Disposals	(8)	(2)
Cost at end of the year	192	172
Accumulated amortisation at beginning of the year	(118)	(98)
Amortisation	(25)	(22)
Disposals	8	2
Accumulated amortisation at end of the year	(135)	(118)
Net book value at beginning of the year	54	50
Net book value at end of the year	57	54

18. Trade and other payables

Accounting policy

Trade and other payables are initially recorded at fair value, which is usually the invoiced amount, and subsequently measured at amortised cost using the effective interest rate method, except for derivatives, contingent consideration payable and put options over non-controlling interests in subsidiaries, which are measured at fair value through profit and loss.

	2024 \$m	2023 \$m
Financial liabilities at amortised cost		
Trade payables	5	7
Compensation accruals	426	365
Other accruals	101	79
Payables to OEIC funds	45	39
Payables under repo arrangements	16	45
Tax and social security	16	31
Other payables	6	7
Payables relating to consolidated fund entities (Note 5.2)	20	116
	635	689
Financial liabilities at fair value through profit or loss		
Derivatives	6	12
Contingent consideration	4	3
Put options over non-controlling interests in subsidiaries	10	9
	20	24
Total trade and other payables	655	713

19. Provisions

Accounting policy

Provisions are recognised when Man Group has a present obligation (legal or constructive) as a result of a past event, it is probable that we will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. All provisions are current given we do not have the unconditional right to defer settlement.

	2024 \$m	2023 \$m
At beginning of the year	16	14
Additions	1	1
Unused amounts reversed	(1)	–
Foreign currency translation	–	1
At end of the year	16	16

Provisions relate to ongoing claims and leasehold property dilapidations.

20. Equity

Accounting policy

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction from the proceeds, net of tax.

Share repurchases are recognised at the point we become committed to completing them. A liability is recognised for the full amount of the commitment, including directly attributable costs, with a corresponding debit to equity. Where repurchased shares are held in Treasury, a transfer from the profit and loss reserve to the Treasury share reserve is recognised for the full amount of the consideration paid. Where shares are repurchased and subsequently cancelled, the equivalent par value by which the Company's share capital is reduced is transferred to the capital redemption reserve.

The Employee Trust, which is consolidated into Man Group, has the obligation to deliver deferred share-based and fund product-based compensation granted to employees, and accordingly holds shares and fund investments to deliver against these future obligations. Man Group plc shares held by the Employee Trust and shares held in Treasury are recorded at cost, including any directly attributable incremental costs (net of tax), and are deducted from equity (within the respective reserves) until the shares are sold, cancelled or transferred to employees. Where such shares are subsequently sold, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity.

Share capital

The authorised share capital of Man Group plc comprises \$100 million divided into 2,916,666,666 ordinary shares with a par value of 3^{3/7}¢ each. Ordinary shares represent 100% of issued share capital and all issued shares are fully paid. The shares have attached to them full voting, dividend and capital distribution (including on wind up) rights. They do not confer any rights of redemption. Shareholders have the right to receive notice of, attend, vote and speak at general meetings. When a vote is taken on a poll, shareholders are entitled to one vote per ordinary share. When a vote is taken by a show of hands, shareholders present in person or by proxy have one vote.

Treasury shares are ordinary shares previously repurchased by the Company but not cancelled, and are therefore deducted from equity and included within the Treasury share reserve. As they are no longer outstanding, they are excluded for earnings per share and voting rights purposes.

Movements in the number of ordinary shares in issue are set out below.

	2024		2023	
	Total number	Nominal value \$m	Total number	Nominal value \$m
Number of shares at beginning of year	1,313,349,959	45	1,350,556,782	46
Cancellation of own shares held in Treasury	(39,400,499)	(1)	(37,206,823)	(1)
Number of shares at end of the year	1,273,949,460	44	1,313,349,959	45

Share buybacks	2024	2023
Shares repurchased during the year (including costs) (\$m)	50	223
Average purchase price (pence)	248.8	241.2
Shares repurchased (million)	16	76
Accretive impact on diluted earnings per share (%)	0.7	5.2

The \$50 million share repurchase programme announced in February 2024 was completed during the year (2023: \$125 million of announced share repurchases). The purpose of the share repurchase was to deliver returns to shareholders. All repurchased shares were held in Treasury.

Shares repurchased during the year represent 1.3% of issued share capital (excluding Treasury shares) as at 31 December 2024 and shares held in Treasury which were cancelled during the year represent 3.3% of issued share capital (excluding Treasury shares). At 26 February 2025, we had an unexpired authority to repurchase up to 109,827,230 of our ordinary shares. A special resolution will be proposed at the forthcoming Annual General Meeting, pursuant to which the Company will seek authority to repurchase up to 118,997,191 ordinary shares, representing 10% of the issued share capital (excluding Treasury shares) at 26 February 2025.

The Employee Trust

At 31 December 2024, the Employee Trust held 35,203,028 Man Group plc ordinary shares (2023: 35,289,202).

In 2024, we funded \$65 million via contribution or loan (2023: \$99 million) to enable the Employee Trust to meet its current period obligations. At 31 December 2024, the net assets of the Employee Trust amounted to \$202 million (2023: \$196 million). These assets include 35,203,028 (2023: 35,289,202) ordinary shares in the Company, and \$87 million of fund product investments (2023: \$88 million) which are included within investments in fund products.

The Employee Trust waived all dividend entitlements of the shares held in the current and prior year.

Reorganisation reserve

The reorganisation reserve of \$1,688 million arose on Man Group's corporate reorganisation in 2019. The difference between the share capital and share premium issued by the new holding company and the share capital, premium and capital reserves of the former holding company were taken to the reorganisation reserve.

Other reserves

Other reserves at 31 December 2024 of \$22 million (2023: \$21 million) comprise share premium, capital redemption reserves and cash flow hedge reserves.

21. Reconciliation of statutory profit to cash generated from operations

Accounting policy

Cash flows arising from the purchase and sale of investments in fund products and other investments, and from transactions with third-party investors in consolidated fund entities, are included in cash flows from operating activities in the consolidated cash flow statement. This classification reflects the fact that these investments are to build product breadth and to trial investment research before marketing the products broadly to investors as part of Man Group's ordinary operations or are otherwise held in connection with settling employee remuneration and are not intended to be held as long-term investments.

	Note	2024 \$m	2023 \$m
Cash flows from operating activities			
Statutory profit		298	234
Adjustments for:			
Share-based payment charge	6.1	39	40
Fund product-based payment charge	6.1	81	83
Other employment-related expenses	6.2	28	23
Net finance expense	7	23	21
Tax expense	11.1	100	45
Depreciation of leasehold improvements and equipment	16	11	12
Depreciation of right-of-use lease assets	8.2	15	14
Gain on disposal of investment property – right-of-use lease assets	8.1	(3)	(12)
Amortisation and impairment of acquired intangibles	9	24	28
Amortisation of software intangible assets	17	25	22
Share of post-tax loss of associates	10	2	3
Revaluation of acquisition-related liabilities		4	–
Realised gains on cash flow hedges		(22)	(12)
Foreign exchange movements		8	3
Other non-cash movements		(10)	(9)
		623	495
Changes in working capital ¹ :			
(Increase)/decrease in fee and other receivables		(29)	104
Decrease in other financial assets including consolidated fund entities ²		211	71
Decrease in trade and other payables		(36)	(200)
Cash generated from operations		769	470

Notes:

- Changes in working capital differ from the movements in these balance sheet items due to non-cash movements which either relate to the gross-up of the third-party share of consolidated fund entities (Note 5.2) or are adjusted elsewhere in the consolidated cash flow statement, such as movements relating to the fund product-based payment charge and other employment-related expenses (within operating activities) and the share repurchase liability (within financing activities).
- Includes \$133 million of restricted net cash inflows (2023: \$12 million net cash outflows) relating to consolidated fund entities (Note 5.2).

22. Dividends

Accounting policy

Dividend distributions to the Company's shareholders are recognised directly within equity in the period in which the dividend is paid or, for final dividends, approved by the Company's shareholders. Dividends are payable on the Company's ordinary shares.

	¢/share	2024 \$m	¢/share	2023 \$m
Final dividend paid for the previous financial year to 31 December	10.7	127	10.1	118
Interim dividend paid for the six months to 30 June	5.6	65	5.6	63
Dividends paid		192		181
Proposed final dividend for the financial year to 31 December	11.6	134	10.7	125

23. Financial assets and liabilities

Accounting policy

Classification and measurement

Financial assets and liabilities are initially recognised at fair value. We subsequently measure each financial asset and liability at fair value through profit or loss (FVTPL) or amortised cost, with classification determined at the time of initial recognition.

Derivatives

We use derivative financial instruments to manage market risk in certain circumstances. These consist primarily of market risk hedges on some of our seeding positions and foreign exchange contracts. The carrying value of these derivatives are included in fee and other receivables and trade and other payables.

Fair value hierarchy

We disclose the fair value measurement of financial assets and liabilities using three levels, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The majority of our investments in fund products fall within Level 2 due to observability of the relevant valuation inputs reflecting the liquidity of the underlying investments and the level of subscription and redemption activity. Level 2 investments in fund products primarily comprise holdings in unlisted, open-ended, active and liquid funds, which are priced using daily or weekly observable market information derived from third-party sources. A lack of liquidity in the underlying investments, a lack of observability in the relevant valuation inputs or a low level of subscription and redemption activity is typically associated with a Level 3 classification.

The assets held by our consolidated CLOs comprise a portfolio of bonds and loan securities. Loans are valued using broker quotes sourced from an independent pricing service, with bonds priced using latest prices executed for similar assets. We do not make any adjustments to the quotes obtained. Where the quotes are obtained from multiple pricing sources within a narrow range, the assets are classified as Level 2 in the fair value hierarchy. Where prices are derived from a small number of quotes, or where there is a wide bid-ask spread between quotes, we classify these assets as Level 3.

Transferable securities held by our other consolidated funds which are classified as Level 3 have significant unobservable inputs, as they trade infrequently or not at all. When observable prices are not available for these securities, we use valuation techniques for which sufficient and reliable data is available. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability.

The fair values of our financial assets and liabilities can be analysed as follows:

\$m	Note	2024				Total
		Level 1	Level 2	Level 3	Not at fair value	
Financial assets at amortised cost						
Finance lease receivable	8.1	–	–	–	77	77
Cash and cash equivalents	14	–	–	–	454	454
Fee and other receivables	15	–	–	–	459	459
		–	–	–	990	990
Financial assets at fair value						
Fee and other receivables	15	–	5	–	–	5
Investments in fund products and other investments	5	–	216	16	–	232
Investments in loans	5	–	–	27	–	27
Investments in consolidated funds: CLO assets	5.2	–	1,242	211	–	1,453
Investments in consolidated funds: other transferable securities	5.2	286	379	37	–	702
		286	1,842	291	–	2,419
Total financial assets		286	1,842	291	990	3,409
Financial liabilities at amortised cost						
Trade and other payables	18	–	–	–	(635)	(635)
Lease liability	8.2	–	–	–	(248)	(248)
		–	–	–	(883)	(883)
Financial liabilities at fair value						
Trade and other payables	18	–	(6)	(14)	–	(20)
CLO liabilities – consolidated funds	5.2	–	(1,366)	–	–	(1,366)
Third-party interest in consolidated funds	5.2	–	(553)	–	–	(553)
		–	(1,925)	(14)	–	(1,939)
Total financial liabilities		–	(1,925)	(14)	(883)	(2,822)

\$m	Note	Level 1	Level 2	Level 3	Not at fair value	Total
Financial assets at amortised cost						
Finance lease receivable	8.1	–	–	–	67	67
Cash and cash equivalents	14	–	–	–	276	276
Fee and other receivables	15	–	–	–	523	523
		–	–	–	866	866
Financial assets at fair value						
Fee and other receivables	15	–	5	–	–	5
Investments in fund products and other investments	5	–	280	12	–	292
Investments in consolidated funds: CLO assets	5.2	–	1,057	46	–	1,103
Investments in consolidated funds: other transferable securities	5.2	274	510	100	–	884
		274	1,852	158	–	2,284
Total financial assets		274	1,852	158	866	3,150
Financial liabilities at amortised cost						
Trade and other payables	18	–	–	–	(689)	(689)
Lease liability	8.2	–	–	–	(283)	(283)
		–	–	–	(972)	(972)
Financial liabilities at fair value						
Trade and other payables	18	–	(12)	(12)	–	(24)
CLO liabilities – consolidated funds	5.2	–	(1,036)	–	–	(1,036)
Third-party interest in consolidated funds	5.2	–	(554)	–	–	(554)
		–	(1,602)	(12)	–	(1,614)
Total financial liabilities		–	(1,602)	(12)	(972)	(2,586)

The movements in Level 3 financial assets and liabilities held at fair value are as follows:

\$m	2024		2023	
	Assets	Liabilities	Assets	Liabilities
At beginning of the year	158	(12)	20	–
Transfers into/(out of) Level 3	3	–	(11)	–
Purchases	166	–	2	(12)
(Charge)/credit to consolidated income statement ^{1,2}	(1)	(2)	1	–
Sales or settlements	(137)	–	–	–
Change in consolidated fund entities held	102	–	146	–
At end of the year	291	(14)	158	(12)

Notes:

1 Included within net income or gains on investments and other financial instruments.

2 Includes net unrealised losses of \$3 million (2023: gains of \$1 million) and foreign exchange movements.

The Level 3 financial assets in the portfolios of our consolidated fund entities other than CLOs primarily comprise bonds, equities and credit-linked notes. The techniques used the valuations of those assets primarily include discounted cash flows, estimated recovery and single broker quotes. The unobservable inputs in those valuations comprise future cash flows, discount rates and yields.

Level 3 financial liabilities held at fair value comprise contingent consideration payable and put options over non-controlling interests. The contingent consideration payable for the acquisition of Asteria in 2023 is based on future levels of management fees and is capped at \$53 million. Put options are measured at the present value of the expected redemption amount.

Sensitivity analysis

A 5% increase/decrease in the valuations of Level 3 financial assets at 31 December 2024 would result in a \$15 million increase/decrease in their fair value.

Changes in the unobservable inputs to the valuation of Level 3 financial liabilities would not be expected to result in a significant change in the carrying value of these assets and liabilities, and hence a sensitivity analysis has not been presented.

24. Financial risk management

We are exposed to a variety of financial risks: market risk, liquidity risk and credit risk. Man Group's risk management framework and internal control systems seek to manage these financial risks, with derivative financial instruments used to hedge certain risk exposures.

Further details of our approach to the management and mitigation of financial risk are included on pages 18 to 23.

24.1 Market risk

Investment book performance risk

Investments in fund products expose us to market risk and are therefore managed within limits consistent with the Board's risk appetite. In certain circumstances, we use derivative financial instruments, specifically equity swaps, to hedge the risk associated with mark-to-market movements.

Market risk hedges

	2024 \$m	2023 \$m
Notional value of derivatives at 31 December		
Assets	104	–
Liabilities	(12)	(175)
Net assets/(liabilities)	92	(175)
For the year ended 31 December		
Loss recognised in the consolidated income statement	(2)	(17)

The market risk from seeding investments, including those financed via repo and TRS arrangements, is modelled using a value at risk methodology with a 95% confidence interval and one-year time horizon. The value at risk, net of market risk hedges, is estimated to be \$67 million at 31 December 2024 (2023: \$61 million).

We generally hold an investment in the associated fund products to hedge the mark-to-market movement in fund product-based compensation over the vesting period.

Our maximum exposure to loss associated with interests in our consolidated CLOs is limited to the net investment in these CLOs.

Foreign currency risk

We are subject to risk from changes in foreign exchange rates on monetary assets and liabilities. In certain circumstances, we use derivative financial instruments, specifically forward foreign exchange contracts with a one-month duration, to hedge the risk associated with foreign exchange movements.

Foreign exchange hedges

	2024 \$m	2023 \$m
Notional value of derivatives at 31 December		
Assets	264	124
Liabilities	(152)	(343)
Net assets/(liabilities)	112	(219)
For the year ended 31 December		
Loss before the impact of hedging	(5)	(4)
Gain/(loss) on hedging instruments	11	(7)
Gain/(loss) recognised in the consolidated income statement after the impact of hedging	6	(11)

Of the \$6 million of net realised and unrealised foreign exchange gains (2023: \$11 million losses) recognised in the consolidated income statement, \$4 million of unrealised gain (2023: \$10 million of loss) relates to the revaluation of our \$190 million (2023: \$209 million) unhedged sterling lease liability.

The table below reflects the currency profile of our net foreign currency (non-USD) monetary assets and liabilities after the impact of hedging:

	2024 \$m	2023 \$m
Sterling	(112)	(138)
Swiss Franc	(19)	(17)
Euro	4	22
Other	27	26
Total	(100)	(107)

A 10% strengthening/weakening of the USD against all other currencies, with all other variables held constant, would have resulted in a foreign exchange loss/gain of \$10 million (2023: \$11 million), with a corresponding impact on equity. This pre-tax exposure is based on non-USD balances held by USD functional currency entities at 31 December.

Interest rate risk

We are subject to risk from changes in interest rates on monetary assets and liabilities, principally cash deposits and financing costs. In respect of our monetary assets and liabilities which earn/incur interest indexed to floating rates, as at 31 December 2024 a 100 basis point increase/decrease in these rates, with all other variables held constant, would have resulted in a nil (2023: \$1 million) increase/decrease in net interest expense.

24.2 Credit risk

Credit risk is the risk of financial loss as a result of a counterparty failing to meet its contractual obligations. This risk is mitigated by the diversification of exposures across a number of the strongest available financial counterparties, each of which is approved and regularly reviewed and challenged for creditworthiness by Man Group's counterparty committee. Our risk teams monitor credit metrics, including credit default swap spreads and credit ratings, on a daily basis.

At 31 December 2024, the \$225 million available cash and cash equivalents balance was held with 19 banks (2023: \$180 million with 19 banks).

Credit ratings of banks	2024 \$m	2023 \$m
AAA	39	31
AA	130	67
A	50	82
BB	6	–
Total	225	180

The single largest counterparty bank exposure of \$56 million is held with an AA- rated bank (2023: \$50 million held with an A- rated bank).

As in 2023, all derivatives are held with counterparties with ratings of A or higher and mature within one year. Accordingly, under the expected credit loss model of IFRS 9 'Financial Instruments', no impairment of the collateral held with derivative counterparties has been recognised at 31 December 2024 (2023: nil).

The majority of fees are deducted from the NAVs of the respective funds by the independent administrators and therefore both the credit risk of fee receivables and the quantum of overdue balances are minimal. Our exposure to receivables from the tenants of our investment property which is sub-let under finance leases is not considered a significant credit risk due to the credit quality of the lessees. Accordingly, no impairment has been recognised in respect of these receivables at 31 December 2024 (2023: nil).

The assets held by our consolidated CLOs comprise loans and bonds, cash and receivables. Our maximum exposure to the credit risk associated with these assets is limited to the net investment in these CLOs, which at 31 December 2024 was \$89 million (2023: \$78 million). The creditworthiness of the asset portfolios is reflected in the fair value of our consolidated CLOs.

24.3 Liquidity risk

Liquidity resources support ongoing operations and potential liquidity requirements under scenarios that assume stressed market and economic conditions. Our funding requirements relating to the investment management process are discretionary. Our liquidity profile is monitored on a daily basis and the stressed scenarios are updated regularly. The Board reviews our funding resources at each Board meeting and on an annual basis, as part of the strategic planning process. Our available liquidity is considered sufficient to cover current requirements and potential requirements under stressed scenarios.

At 31 December 2024, we had total liquidity of \$1,025 million (2023: \$840 million) comprising \$225 million (2023: \$180 million) of available cash and cash equivalents and \$800 million (2023: \$660 million) of undrawn committed revolving credit facility (RCF).

Available cash and cash equivalents are invested in accordance with strict limits consistent with the Board's risk appetite, which consider both the security and availability of liquidity. Accordingly, cash is held in on-demand and short-term bank deposits and money market funds, and at times invested in short-term US Treasury bills (which meet the definition of cash equivalents).

Our \$800 million committed RCF is immediately accessible and does not include financial covenants to maintain maximum flexibility. The RCF is currently scheduled to mature in December 2029.

Our maximum exposure to loss associated with interests in our consolidated CLOs is limited to the net investment in these CLOs (Note 5.2). Therefore, the CLO liabilities on the consolidated balance sheet of \$1,366 million (2023: \$1,036 million) do not present a liquidity risk to Man Group as we have no obligation to repay the noteholders at maturity should the CLO assets be insufficient to meet the obligations.

Maturity analysis

Trade and other payables can be analysed according to their contractual maturity dates on an undiscounted cash flow basis as follows:

	2024 \$m	2023 \$m
Within one year	600	656
Between one and three years	41	45
After three years	20	18
	661	719

A maturity analysis of our undiscounted lease liabilities is set out in Note 8.2.

24.4 Capital management

Man Group has a clear, disciplined capital management framework, actively managing its capital to maximise value to shareholders by either investing that capital to improve shareholder returns in the future or by returning it through higher dividends or share repurchases. We periodically review our accumulated capital reserves to determine whether they exceed the amounts required to retain to ensure financial stability and to provide an appropriate level of security to our stakeholders.

The key decision-making areas relating to the deployment and maintenance of capital, including material acquisitions and disposals, share repurchases, capital structure and dividend policy, are matters reserved for the Board.

25. Share-based payment schemes

Accounting policy

Equity-settled share-based payments

Man Group operates equity-settled share-based payment schemes which are remuneration payments to selected employees that take the form of an award of shares in the Company. These typically vest over three to five years, although conditions vary between different types of award. The fair value of the employee services received in exchange for the share awards/options granted is recognised as an expense, with the corresponding credit recognised in equity, and is determined by reference to the fair value of the share awards/options at grant date.

We calculate the fair value of share options using the Black-Scholes valuation model, which takes into account the effect of both financial and demographic assumptions. Forfeiture and early vesting assumptions are based on historical observable data. Changes to the original estimates, if any, are included in the consolidated income statement, with a corresponding adjustment to equity.

Cash-settled share-based payments

Put options on the interests in subsidiaries held by employees, and their proportionate share of the profits of those subsidiaries, which can be forfeited should they become 'bad leavers' are accounted for as cash-settled share-based payments. Cash-settled share-based payments are measured at fair value on grant date and recognised as an employment-related expense in the consolidated income statement over the relevant service period. They are remeasured to fair value at each reporting date, with the change in fair value recognised as other employment-related expenses in the consolidated income statement. The credit entry is recognised as a liability in the consolidated balance sheet.

Share awards

The fair values of equity-settled share awards granted in the year and the assumptions used in the calculations are as follows:

	Deferred share plan		Executive directors' long-term incentive plan	
	08/03/2024 – 10/12/2024	28/02/2023 – 02/08/2023	08/03/2024	10/03/2023 – 04/09/2023
Grant dates				
Share awards granted in the year	12,128,097	19,200,689	1,674,203	2,784,001
Weighted average fair value per share award granted (\$)	3.2	3.4	3.2	3.1

Movements in the number of equity-settled share awards outstanding are as follows:

	2024	2023
Share awards outstanding at beginning of the year	42,317,900	41,252,837
Granted	13,802,300	21,984,690
Forfeited	(2,899,848)	(2,214,057)
Exercised	(11,490,358)	(18,705,570)
Share awards outstanding at end of the year	41,729,994	42,317,900
Share awards exercisable at end of the year	158,944	137,769

Share options

The fair values of share options granted in the year under the Sharesave employee share option scheme, and the assumptions used in the calculations, are as follows:

	2024	2023
Grant date	03/09/2024	11/09/2023
Weighted average share price at grant date (\$)¹	2.9	2.6
Weighted average exercise price at grant date (\$)²	2.3	2.1
Share options granted in the period	1,447,200	2,843,261
Vesting period (years)	3–5	3–5
Expected share price volatility (%)	30	30
Dividend yield (%)	5	5
Risk-free rate (%)	3.9	4.7
Expected option life (years)	3.7	3.4
Number of options assumed to vest	1,080,188	2,172,378
Average fair value per option granted (\$)	0.7	0.6

Notes:

- 1 Sterling share price at grant date each year of £2.19 and £2.06 respectively.
- 2 Sterling exercise price each year of £1.76 and £1.69 respectively.

The expected share price volatility is based on historical volatility over the past five years. The expected option life is the average expected period to exercise. The risk-free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life.

Movements in the number of share options outstanding are as follows:

	2024		2023	
	Number	Weighted average exercise price¹ (\$ per share)	Number	Weighted average exercise price¹ (\$ per share)
Share options outstanding at beginning of the year	5,139,138	2.1	5,976,777	1.7
Granted	1,447,200	2.2	2,843,261	2.2
Forfeited	(476,292)	2.2	(691,948)	2.3
Exercised²	(799,406)	1.8	(2,988,952)	1.4
Share options outstanding at end of the year	5,310,640	2.1	5,139,138	2.1
Share options exercisable at end of the year	239,978	2.1	361,340	1.5

Notes:

- 1 Calculated at 31 December exchange rates each year.
- 2 The sterling weighted average share price of options exercised was £2.38 (2023: £2.24) (USD-equivalent \$3.06 and \$2.73 respectively).

The share options outstanding at year-end had expected remaining lives as follows:

Range of exercise prices (\$ per share)	2024		2023	
	Number of share options	Weighted average expected remaining life (years)	Number of share options	Weighted average expected remaining life (years)
0.00–3.00	5,310,640	2.5	5,139,138	2.7

Cash-settled share-based payments

The carrying value of the cash-settled share-based payment liability at 31 December 2024 was \$56 million (2023: \$23 million). Details of the associated expense and a sensitivity analysis to the key assumptions used in the valuation are set out in Note 6.2.

26. Geographical information

Accounting policy

Disclosure of revenue by geographic location is based on the registered domicile of the fund entity or managed account paying our fees.

Non-current assets are allocated based on where the assets are located and include goodwill and acquired intangibles, software intangible assets, leasehold improvements and equipment, and right-of-use lease assets. For goodwill and other acquired intangibles, we consider that the location of the intangibles is best reflected by the location of the individuals managing those assets.

\$m	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Cayman Islands	656	–	555	–
Ireland	191	–	198	–
United Kingdom and the Channel Islands	132	604	108	606
United States of America	281	346	193	391
Other countries	174	20	114	15
	1,434	970	1,168	1,012

Revenue from no single fund exceeded 10% of total annual revenue in either 2024 or 2023.

27. Related party transactions

Accounting policy

Related parties comprise key management personnel, associates and fund entities which we are deemed to control. All transactions with related parties were carried out on an arm's-length basis.

The Executive Committee, together with the Company's non-executive directors, are considered to be our key management personnel, being those directors, partners and employees having authority and responsibility for planning, directing and controlling our activities.

Key management compensation	2024 \$m	2023 \$m
Salaries and other short-term employee benefits ¹	23	31
Share-based payment charge	14	19
Fund product-based payment charge	15	22
Pension costs (defined contribution)	1	1
Total	53	73

Note:

1 Includes salary, benefits and cash bonus.

Man Group paid consortium relief to its associate HUB in the current and prior years. The amounts paid in each year were not significant.

28. Other matters

In July 2019, the Public Institution for Social Security in Kuwait (PIFSS) served a claim against a number of parties, including certain Man Group companies, a former employee of Man Group and a former third-party intermediary. The trial is scheduled to commence on 3 March 2025. The subject matter of these allegations dates back over a period of 20 years. PIFSS initially sought compensation of \$156 million (plus compound interest) and certain other remedies which were unquantified in the claim. In an amended particulars of claim filed in August 2024, PIFSS increased the quantum of its claim to approximately \$278 million plus interest. We dispute the basis for this inflated quantum figure and the assumptions upon which PIFSS has calculated it. We continue to dispute the allegations and consider there is no merit to the claim (in respect of liability and quantum) and will therefore vigorously and robustly defend the proceedings.

We are subject to various other claims, assessments, regulatory enquiries and investigations in the normal course of business. The Board does not expect such matters to have a material adverse effect on our financial position.

29. Unconsolidated structured entities

Accounting policy

We have evaluated all exposures and concluded that where we hold an investment, fee receivable, accrued income, or commitment with an investment fund or a CLO, this represents an interest in a structured entity as defined by IFRS 12 'Disclosure of Interests in Other Entities'.

Investment funds are designed so that their activities are not governed by way of voting rights, and contractual arrangements are the dominant factor in affecting an investor's returns. The activities of these entities are governed by investment management agreements or, in the case of CLOs, indentures.

Our maximum exposure to loss from unconsolidated structured entities is the sum total of any investment held, fee receivables and accrued income.

Our interest in and exposure to unconsolidated structured entities is as follows:

2024	Total AUM (\$bn)	Less infrastructure mandates and consolidated fund entities ¹ (\$bn)	Total AUM unconsolidated structured entities (\$bn)	Number of funds	Net management fee margin ² (bps)	Fair value of investment held (\$m)	Fee receivables and accrued income (\$m)	Maximum exposure to loss (\$m)
Alternative								
Absolute return	45.3	(0.5)	44.8	132	110	122	120	242
Total return	41.5	(1.6)	39.9	96	66	81	64	145
Multi-manager solutions	14.4	(9.7)	4.7	40	18	2	5	7
Long-only								
Systematic	38.6	(0.1)	38.5	95	27	4	62	66
Discretionary	28.8	(0.2)	28.6	57	57	21	27	48
Total	168.6	(12.1)	156.5	420		230	278	508

2023	Total AUM (\$bn)	Less infrastructure mandates and consolidated fund entities ¹ (\$bn)	Total AUM unconsolidated structured entities (\$bn)	Number of funds	Net management fee margin ² (bps)	Fair value of investment held (\$m)	Fee receivables and accrued income (\$m)	Maximum exposure to loss (\$m)
Alternative								
Absolute return	47.7	(0.3)	47.4	123	112	130	158	288
Total return	42.5	(1.3)	41.2	88	64	137	60	197
Multi-manager solutions	19.4	(12.8)	6.6	51	17	3	14	17
Long-only								
Systematic	36.5	–	36.5	84	24	4	36	40
Discretionary	21.4	(0.2)	21.2	56	59	15	22	37
Total	167.5	(14.6)	152.9	402		289	290	579

Notes:

1 For infrastructure mandates where we do not act as investment manager or adviser, our role in directing investment activities is diminished and therefore these are not considered structured entities.

2 Net management fee margins are the categorical weighted average.

Five-year record

	2024	2023	2022	2021	2020
Income statement (\$m)					
Core net management fee revenue	1,097	963	927	877	730
Core performance fees	310	180	779	569	179
Core profit before tax	473	340	779	658	284
Core management fee profit before tax	323	280	290	266	180
Core performance fee profit before tax	150	60	489	392	104
Core profit	381	271	647	557	240
Statutory profit before tax	398	279	745	590	179
Statutory profit	298	234	608	487	138
Earnings per share (¢)					
Statutory EPS (diluted)	25.1	19.4	45.8	33.8	9.3
Core EPS (diluted)	32.1	22.4	48.7	38.7	16.2
Core management fee EPS (diluted)	21.5	18.4	18.4	15.7	10.3
Balance sheet (\$m)					
Net cash and cash equivalents	454	136	457	387	351
Net assets	1,676	1,612	1,699	1,651	1,497
Net tangible assets	867	782	1,022	928	716
Other metrics					
Core cash flows from operating activities before working capital movements (\$m)	502	362	810	700	341
Ordinary dividends per share (¢)	17.2	16.3	15.7	14.0	10.6
AUM (\$bn)	168.6	167.5	143.3	148.6	123.6
Average headcount	1,802	1,716	1,595	1,453	1,456
USD/sterling exchange rates:					
Average	0.7826	0.8042	0.8081	0.7267	0.7789
Year-end	0.7990	0.7855	0.8276	0.7390	0.7315

'Core' measures are alternative performance measures. Further details of our alternative performance measures, including non-core items, are set out on pages 61 to 67.

Alternative performance measures

We assess our performance using a variety of alternative performance measures (APMs). We discuss our results on a statutory as well as a 'core' basis. Core metrics, which are each APMs, exclude acquisition and disposal-related items, significant non-recurring items and volatile or uncontrollable items, as well as profits or losses generated outside of our investment management business. Accordingly, these core metrics reflect the way in which performance is monitored by the Board and present the profits or losses that drive our cash flows. They also inform the way in which our variable compensation is assessed. Details of the non-core items in the year are set out below.

Our APMs also reclassify all income and expenses relating to our consolidated fund entities, which are required by IFRS to be split across multiple lines in the consolidated income statement, to core gains/losses on investments in order to reflect their performance as part of our seed book programme. Tax on non-core items and movements in deferred tax relating to the utilisation or recognition of tax assets in the US are similarly excluded from core profit, with tax on core profit considered a proxy for cash taxes paid.

In 2023, accounting for the acquisition of Varagon Capital Partners, L.P. in accordance with the requirements of IFRS resulted in the recognition of all future payments to selling shareholders who remain in employment post-acquisition as employment-related expenses. This arises because each of these payments can be forfeited should those employees become 'bad leavers' during specified periods following the acquisition. Economically, the payments are transactions with the individuals in their capacity as owners. Recognising that these owners also hold significant roles in the organisation, the bad leaver clauses are protective in nature and not intended to compensate the individuals for employment services. As these transactions are related to an acquisition, we consider it appropriate to adjust the expense recognised in the year to reflect the proportion of the profits that have been generated in the same period and are attributable to these employees through an adjustment to core profit. This more closely aligns the charges with the associated cash flows.

The approach to the classification of non-core items maintains symmetry between losses and gains and the reversal of any amounts previously classified as non-core. Note that our APMs may not be directly comparable with similarly titled measures used by other companies.

Non-core items in profit before tax comprise the following:

	Note to the consolidated financial statements	2024 \$m	2023 \$m
Acquisition and disposal-related:			
Amortisation and impairment of acquired intangibles	9	(24)	(28)
Acquisition-related costs	6.3	–	(9)
Other employment-related expenses ¹	6.2	(28)	(21)
Revaluation of acquisition-related liabilities		(4)	–
Restructuring costs	6.1	(22)	–
Costs associated with legal claims	6.3	(4)	(1)
Gain on disposal of investment property – right-of-use lease assets	8.1	3	12
Share of post-tax loss of associates	10	(2)	(3)
Foreign exchange movements	5.1	6	(11)
Non-core items		(75)	(61)

Note:

1 Adjustment to align acquisition-related employment-related expenses with proportionate share of earnings in the year.

Core measures: reconciliation to statutory equivalents

The statutory line items within the consolidated income statement can be reconciled to their core equivalents as follows:

2024 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Non-core items	Per consolidated income statement
Management and other fees ^[APM]	1,135	(9)	–	1,126
Performance fees ^[APM]	310	(2)	–	308
Revenue^[APM]	1,445	(11)	–	1,434
Net income or gains on investments and other financial instruments ^[APM]	50	32	6	88
Third-party share of gains relating to interests in consolidated funds	–	(10)	–	(10)
Rental income ^[APM]	2	1	–	3
Distribution costs	(38)	–	–	(38)
Net revenue^[APM]	1,459	12	6	1,477
Asset servicing costs	(67)	–	–	(67)
Compensation costs ^[APM]	(684)	–	(22)	(706)
Other employment-related expenses ^[APM]	(10)	–	(28)	(38)
Other costs ^[APM]	(199)	(12)	(4)	(215)
Net finance expense	(23)	–	–	(23)
Gain on disposal of investment property – right-of-use lease assets	–	–	3	3
Amortisation and impairment of acquired intangibles	–	–	(24)	(24)
Share of post-tax loss of associates	–	–	(2)	(2)
Revaluation of acquisition-related liabilities	–	–	(4)	(4)
Third-party share of post-tax profits	(3)	–	–	(3)
Profit before tax^[APM]	473	–	(75)	398
Tax expense ^[APM]	(92)	–	(8)	(100)
Profit^[APM]	381	–	(83)	298
Core basic EPS	32.9¢			
Core diluted EPS	32.1¢			

2023 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Non-core items	Per consolidated income statement
Management and other fees ^[APM]	995	(5)	–	990
Performance fees ^[APM]	180	(2)	–	178
Revenue^[APM]	1,175	(7)	–	1,168
Net income or gains on investments and other financial instruments ^[APM]	48	39	(11)	76
Third-party share of gains relating to interests in consolidated funds	–	(24)	–	(24)
Rental income ^[APM]	5	1	–	6
Distribution costs	(32)	–	–	(32)
Net revenue^[APM]	1,196	9	(11)	1,194
Asset servicing costs	(58)	–	–	(58)
Compensation costs ^[APM]	(595)	–	–	(595)
Other employment-related expenses ^[APM]	(2)	–	(21)	(23)
Other costs ^[APM]	(179)	(9)	(10)	(198)
Net finance expense	(21)	–	–	(21)
Gain on disposal of investment property – right-of-use lease assets	–	–	12	12
Amortisation and impairment of acquired intangibles	–	–	(28)	(28)
Share of post-tax loss of associates	–	–	(3)	(3)
Third-party share of post-tax profits	(1)	–	–	(1)
Profit before tax^[APM]	340	–	(61)	279
Tax expense ^[APM]	(69)	–	24	(45)
Profit^[APM]	271	–	(37)	234
Core basic EPS	23.0¢			
Core diluted EPS	22.4¢			

[APM] The core equivalents of these statutory measures are defined as alternative performance measures.

Core costs comprise asset servicing, compensation costs, core other employment-related expenses, core other costs and third-party share of post-tax profits.

The statutory line items within the consolidated balance sheet can be reconciled to their core equivalents as follows:

2024 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Per consolidated balance sheet
Assets			
Cash and cash equivalents ^[APM]	225	229	454
Fee and other receivables ^[APM]	486	6	492
Investments in fund products and other investments ^[APM]	722	1,692	2,414
Investments in associates	8	–	8
Current tax asset	17	–	17
Finance lease receivable	77	–	77
Leasehold improvements and equipment	58	–	58
Leasehold property – right-of-use lease assets	90	–	90
Investment property – right-of-use lease assets	13	–	13
Investment property – consolidated fund entities	–	12	12
Software intangible assets	57	–	57
Deferred tax assets	117	–	117
Pension asset	13	–	13
Goodwill and acquired intangibles	752	–	752
Total assets	2,635	1,939	4,574
Liabilities			
Trade and other payables ^[APM]	635	20	655
Employment-related payables to sellers of businesses acquired	56	–	56
Provisions	16	–	16
Current tax liabilities	3	–	3
CLO liabilities – consolidated fund entities	–	1,366	1,366
Third-party interest in consolidated funds	–	553	553
Third-party interest in other subsidiaries	1	–	1
Lease liability	248	–	248
Total liabilities	959	1,939	2,898
Net assets	1,676	–	1,676

2023 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Per consolidated balance sheet
Assets			
Cash and cash equivalents ^[APM]	180	96	276
Fee and other receivables ^[APM]	463	88	551
Investments in fund products and other investments ^[APM]	787	1,492	2,279
Investments in associates	11	–	11
Current tax asset	15	–	15
Finance lease receivable	67	–	67
Leasehold improvements and equipment	53	–	53
Leasehold property – right-of-use lease assets	112	–	112
Investment property – right-of-use lease assets	17	–	17
Investment property – consolidated fund entities	–	30	30
Software intangible assets	54	–	54
Deferred tax assets	128	–	128
Pension asset	12	–	12
Goodwill and acquired intangibles	776	–	776
Total assets	2,675	1,706	4,381
Liabilities			
Borrowings	140	–	140
Trade and other payables ^[APM]	597	116	713
Employment-related payables to sellers of businesses acquired	23	–	23
Provisions	16	–	16
Current tax liabilities	3	–	3
CLO liabilities – consolidated fund entities	–	1,036	1,036
Third-party interest in consolidated funds	–	554	554
Third-party interest in other subsidiaries	1	–	1
Lease liability	283	–	283
Total liabilities	1,063	1,706	2,769
Net assets	1,612	–	1,612

[APM] The core equivalents of these statutory measures are defined as alternative performance measures.

Core management fee profit and core performance fee profit

Core profit comprises core management fee profit, a steadier earnings stream, and core performance fee profit, a more variable earnings stream. This split facilitates analysis of our profitability drivers.

2024 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Non-core items	Per consolidated income statement
Management and other fees	1,135	(9)	–	1,126
Distribution costs	(38)	–	–	(38)
Net management fee revenue	1,097	(9)	–	1,088
Rental income	2	1	–	3
Asset servicing costs	(67)	–	–	(67)
Compensation costs (management fee)	(490)	–	(22)	(512)
Other employment-related expenses	(10)	–	(28)	(38)
Other costs	(199)	(12)	(4)	(215)
Net finance expense (management fee)	(8)	–	–	(8)
Third-party share of post-tax profits (management fee)	(2)	–	–	(2)
Management fee profit before tax	323	(20)	(54)	249
Tax expense	(67)			
Management fee profit	256			
Core basic management fee EPS	22.1¢			
Core diluted management fee EPS	21.5¢			
Performance fees	310	(2)	–	308
Net income or gains on investments and other financial instruments	50	32	6	88
Compensation costs (performance fee)	(194)	–	–	(194)
Net finance expense (performance fee)	(15)	–	–	(15)
Third-party share of post-tax profits (performance fee)	(1)	–	–	(1)
Performance fee profit before tax	150	30	6	186
Tax expense	(25)			
Performance fee profit	125			
Core basic performance fee EPS	10.8¢			
Core diluted performance fee EPS	10.6¢			

2023 \$m	Core measure	Reclassification of amounts relating to consolidated fund entities	Non-core items	Per consolidated income statement
Management and other fees	995	(5)	–	990
Distribution costs	(32)	–	–	(32)
Net management fee revenue	963	(5)	–	958
Rental income	5	1	–	6
Asset servicing costs	(58)	–	–	(58)
Compensation costs (management fee)	(439)	–	–	(439)
Other employment-related expenses	(2)	–	(21)	(23)
Other costs	(179)	(9)	(10)	(198)
Net finance expense (management fee)	(9)	–	–	(9)
Third-party share of post-tax profits	(1)	–	–	(1)
Management fee profit before tax	280	(13)	(31)	236
Tax expense	(58)			
Management fee profit	222			
Core basic management fee EPS	18.8¢			
Core diluted management fee EPS	18.4¢			
Performance fees	180	(2)	–	178
Net income or gains on investments and other financial instruments	48	39	(11)	76
Compensation costs (performance fee)	(156)	–	–	(156)
Net finance expense (performance fee)	(12)	–	–	(12)
Performance fee profit before tax	60	37	(11)	86
Tax expense	(11)			
Performance fee profit	49			
Core basic performance fee EPS	4.2¢			
Core diluted performance fee EPS	4.0¢			

Core gains/losses on investments

We use the measure core gains/losses on investments to represent the net return we receive on our seeding investments portfolio, combining both consolidated and unconsolidated fund entities on a consistent basis. We therefore exclude from this measure gains or losses on investments which do not relate to the performance of the seed book and adjust the amounts relating to consolidated funds to be included in this line on a consistent basis. Core gains/losses on investments can be reconciled to the consolidated income statement as follows:

	Note to the consolidated financial statements	2024 \$m	2023 \$m
Net gains on seeding investments portfolio	5.1	47	47
Net gains on fund investments held for deferred compensation arrangements and other investments	5.1	3	1
Core gains on investments		50	48
Non-core items:			
Consolidated fund entities: gross-up of net gains on investments	5.1	32	39
Foreign exchange movements	5.1	6	(11)
Net income or gains on investments and other financial instruments		88	76

Core tax rate

The core tax rate is the effective tax rate on core profit before tax and is equal to the tax on core profit divided by core profit before tax. The tax expense on core profit before tax is calculated by excluding the tax benefit/expense related to non-core items from the statutory tax expense, together with amounts relating to the utilisation or recognition of available US deferred tax assets. Therefore, tax on core profit is considered a proxy for our cash taxes payable.

The impact of non-core items on our tax expense is outlined below:

	2024 \$m	2023 \$m
Statutory tax expense	100	45
Tax on non-core items:		
Amortisation and impairment of acquired intangibles	–	2
Restructuring costs	4	–
Costs associated with legal claims	1	–
Gain on disposal of investment property – right-of-use lease assets	(1)	(3)
Foreign exchange movements	(2)	3
Non-core tax item – US deferred tax assets	(10)	22
Core tax expense	92	69
Comprising:		
Tax expense on core management fee profit before tax	67	58
Tax expense on core performance fee profit before tax	25	11

The core tax rate is 19% for 2024 (2023: 20%).

Core cash flows from operations excluding working capital movements

Cash flows from operating activities excluding working capital movements can be reconciled to cash flows from operating activities as reported in the consolidated cash flow statement as follows:

	Note to the consolidated financial statements	2024 \$m	2023 \$m
Cash flows from operating activities		648	337
Plus changes in working capital:	21		
Increase/(decrease) in fee and other receivables		29	(104)
Decrease in other financial assets		(211)	(71)
Decrease in trade and other payables		36	200
Core cash flows from operations excluding working capital movements		502	362

Net tangible assets

Net tangible assets is used as a measure of the capital available for deployment, and is equal to net assets excluding goodwill and intangibles, as follows:

	Note to the consolidated financial statements	2024 \$m	2023 \$m
Seeding investments portfolio	5	532	595
Available cash and cash equivalents	14	225	180
Borrowings	14	–	(140)
Contingent consideration	18	(4)	(3)
Put options over non-controlling interests in subsidiaries	18	(10)	(9)
Payables under repo arrangements	18	(16)	(45)
Employment-related payables to sellers of businesses acquired		(56)	(23)
Other tangible assets and liabilities		196	227
Net tangible assets		867	782
Goodwill and intangibles		809	830
Shareholders' equity		1,676	1,612