



Annual operational plan 2026/27

Development Bank of Wales



Overview



Our 5-year commitments

Purpose

Bringing ambitions to life and fuelling possibilities for people, businesses and communities in Wales.

Mission

Unlocking potential in the Welsh economy by increasing the supply and accessibility of sustainable, effective finance.

Values

- Smart collaboration
- Entrepreneurial energy
- Objective empathy
- Conscious responsibility

Baseline delivery targets 2022/27

Support over 2,200 businesses	Over 20,000 jobs supported	Directly invest over £650m into Welsh companies	Target co-investment on business funds of 1:1
Deliver on our pledge to the Welsh Government All Wales Plan – Working Together to Reach Net Zero	Maintain a customer NPS® of 60	Maintain an employee NPS® of 60	Fund 1,900 new house builds

Five-year phase strategic objectives

Core: Deliver debt and equity funding with a social impact	Emergent: Promote and advance a green future in Wales	Operational: Delivery excellence, customer-first, financial sustainability
1. Facilitate an entrepreneurial culture in Wales, from foundational through to high-growth businesses	1. Use our position and influence to promote a robust, proportionate transition to a green future across the business ecosystem in Wales	1. Ensure collaborative and responsive delivery that meets customers' evolving needs
2. Support financial inclusion for underrepresented groups and create positive impact in the Welsh economy	2. Develop innovative financial instruments to advance the ambitions for a green future in Wales	2. Embed financial sustainability into the long-term through innovative use of capital for ongoing market needs
3. Work with our new and existing customers to encourage them to identify and prioritise social impact opportunities as part of their business planning	3. Continually improve our knowledge, skills and understanding of climate change impacts and the role of finance in delivering solutions	3. Make optimal use of our ability to support the delivery of government policy through our structure and expertise

Please see our [corporate plan 2022/27](#) for further detail. Performance against our five-year targets can be found within our Annual Report and Accounts.

Overview

In our eighth year as the Development Bank of Wales, we marked the significant milestone of £1bn of direct investment into Welsh businesses. This achievement underscores the sustained growth of the organisation since its launch in 2017, with annual investment levels increasing from c. £80m to c. £150m, reflecting both scale and maturity of delivery.

Through this investment, we have supported over 50,000 jobs and crowded in more than £650m of private sector funding, reinforcing our role as a patient and catalytic investor in the Welsh economy. Alongside core delivery, we continue to evolve our offer - extending the reach and impact of public funding while responding to emerging economic and policy priorities.

During 2025/26, notable achievements included:

- New funding secured to expand support for micro businesses, angel co investment and management succession
- Recognised as a Great Places to Work employer, ranking 14th among UK large employers
- Approval of transition support for sustainable farming, with the Sustainable Agriculture Loan Scheme launching in summer 2026
- Landmark events in North and South Wales to mark the £1bn milestone, attended by the First Minister and the Cabinet Secretary for North Wales and Transport
- Launch of the customer portal, streamlining customer interface for applications and account management
- Organisation wide roll out of Microsoft Copilot, supported by comprehensive training to embed effective use of AI
- First formal submission of sustainability related disclosures to the Principles for Carbon Accounting Financials
- Customer Net Promoter Score of 94, placing performance firmly in the 'excellent' category
- Enhanced funding secured for Green Homes Wales, supporting homeowners to decarbonise their homes.

Full details of 2025/26 outputs will be set out in the Annual Report.

Business need

Global economic uncertainty continues to affect business confidence, cost pressures and investment planning. Against this backdrop, the availability of consistent, patient finance remains critical. We continue to work to identify ongoing market gaps through close alignment with Welsh Government policy teams, frontline intelligence from our colleagues, independent evaluations and targeted market research.

Our research function, Economic Intelligence Wales, will continue to publish quarterly market insight alongside bespoke analysis to strengthen evidence led intervention - planned work for the coming year includes reports on business productivity and the defence sector.

From April 2026, we will also launch a Public Financial Institution Leaders Forum, bringing together public funders to improve collaboration, alignment and effectiveness in addressing business and market need across Wales.

Analysis over the last year has shaped a pipeline of new interventions for launch in 2026/27 including new funding offers for the creative industries and expanded equity co-investment, as well as broadening our support for energy and climate action.

Non financial support remains an important part of our offer. Through the Recovery Support Group, over 270 businesses have now been supported with financial and non-financial intervention. This is complemented by our online learning hub, providing accessible SME guidance from start up through to exit.

Overview

Political landscape

We look forward to working with, and for, the new Government in 2026 as Plaid Cymru lead the future direction of economic development in Wales. At the core of this we will continue to deliver on our remit as the cornerstone public sector funder of SMEs in Wales through our existing breadth of funding. We will also work with the new Cabinet representatives to identify new solutions to deliver on key policy areas and increase the supply and accessibility of finance that unlocks potential in the Welsh economy.

Crowding in

Expanding the availability and diversity of finance in Wales remains central to our remit. Through our FCA authorised vehicle, FW Capital, we are well positioned to work with new investors to develop complementary funding solutions, building on successful existing partnerships such as with the British Business Bank.

Current exploration includes renewable energy project finance, real estate equity investment and increased mainstream SME funding, ensuring Welsh businesses have a level playing field for growth and success.

Supporting homeowners

Over recent years, the Development Bank has grown its support to Welsh homeowners. Early support in this space began with our property development funding, supporting the need to increase the supply of homes in Wales, and the delivery of Help to Buy Wales which has now reached over £620m of direct delivery, supporting the purchase of over 15,000 homes.

In 2024, we launched the Green Homes Wales pilot which has gained significant traction and has now been extended into 2026/27. The offer supports Welsh homeowners make energy efficient upgrades to their homes impacting on net zero ambitions and supporting reduced energy bills.

Sustainability and the environment

Net Zero is a key commitment in our Corporate Plan 2022-27. Our focus on delivery of Wales' energy and climate policy continues in 2026/27 we are deepening our support across households, businesses, agriculture, renewable energy generation and industrial development.

Our growing suite of support for energy and climate action now covers incentives for property developers to use greener methods of construction; dedicated funding for local energy production; support for Welsh SMEs to undertake energy enhancement projects; and direct support for homeowners through the Green Homes Scheme. In 26-27 we will be furthering our support by launching the Sustainable Agriculture Loan Scheme, supporting farming businesses through subsidy reform in Wales while also providing opportunity for investing in productivity, energy efficiency and long term resilience.

Delivery

As a public sector organisation, effective, value for money delivery is at the heart of our operations.

In 2025-26 we developed our AI strategy and have completed company wide training ahead of roll out of use in 2026-27. This will be supported by a team of AI Makers.

Continuous efficiency improvements are embedded in the working practices across our teams and in 2026/27 we will refresh our fee benchmarking with the market to ensure ongoing alignment.

Importantly, our delivery environment is one where our colleagues can thrive. We are committed to supporting learning and growth of a diverse team with a common goal of economic development in Wales. We are proud to be named as the 14th best large business employer through the UK wide Great Places to Work accreditation.

Overview

Five-year targets

As we enter the final year of the current five-year strategic period we are on track to achieve against the ambitious targets set in 2022. Direct investment, businesses supported and jobs supported are tracking just ahead, with private sector leverage tracking behind. While this is not unexpected in the market gap the Development Bank operates in, stepping in where other funders are not active, there is also recognition of further impact to be captured to better demonstrate the leverage unlocked through investments. From April 2026, a life of investment capturing process is being rolled out, which mirrors the practices of other public funders.

Five-year targets	Output	% of target to date
Direct investment	£534m	103%
Co-investment (non-property)	0.77:1 (rolling)	77%
Businesses supported	1,828	104%
Jobs created/safeguarded	20,060	125%

* 5 year targets relate only to Welsh Government Funds and do not cover all Wales delivery which includes British Business Bank funding.

As we look forward, a new Corporate Plan for 2027-31 will be launched in April 2027, setting the next phase of ambition for the Development Bank of Wales and its ongoing contribution to sustainable economic growth.

Operational



Headline business objectives 2026/27

Core: Delivery of debt and equity funding with a social impact

Facilitating an entrepreneurial culture, supporting financial inclusion and prioritising social impact

- Deliver £143.8m of investment to Welsh businesses through over 550 investments.
- Identify and structure financial instrument support to emerging market gaps in the Welsh economy supporting the new government with a focus on agriculture, equity co-investment, Welsh ownership/succession and new homes.
- Collaborate with other public finance institutions to share knowledge and best practice and create market solutions through shared resources, supported by the establishment of a Development Bank of Wales led Public Finance Institution Leadership Forum.
- Develop new opportunities to work with investor partners with local investment remits and crowd-in private sector funding to increase the access to finance for Welsh businesses.
- Publish wider impact outputs from Development Bank of Wales Group activity through enhanced reporting.
- Deliver bespoke communications for key stakeholders including members of the Senedd to support clear understanding of our delivery and impact.
- Deliver schedule of regular economic insight reports through the Economic Intelligence Wales partnership.
- Continually evolve the added value support and impact focus of the Development Bank through enhancement to the online learning hub, signposting and support to underrepresented groups (with a focus on disability) and continued operation of the Recovery Support Group.



Headline business objectives 2026/27

Emergent: Promote and advance a green future in Wales

Promote a robust and proportionate transition, develop innovative financial instruments and continual learning of climate change impacts

- Increase financial and resource capacity to deliver continued demand for the Green Homes Wales Scheme. Support innovation in green tech in Wales through consideration of an innovation pathway for new retrofit products for older homes supporting progress with a UK wide sector issue.
- Support key organisations in the ambition for the development of a Natural Capital market in Wales through provision of input to financial management structuring options.
- Conclude corporate net zero transition analysis and structure actions and targets for delivery both in-year and as part of the forward Corporate Plan delivery for the Development Bank.
- Ensure timely annual submission of 25/26 data to the Partnership for Carbon Accounting Financials and Principles for Responsible Investment.

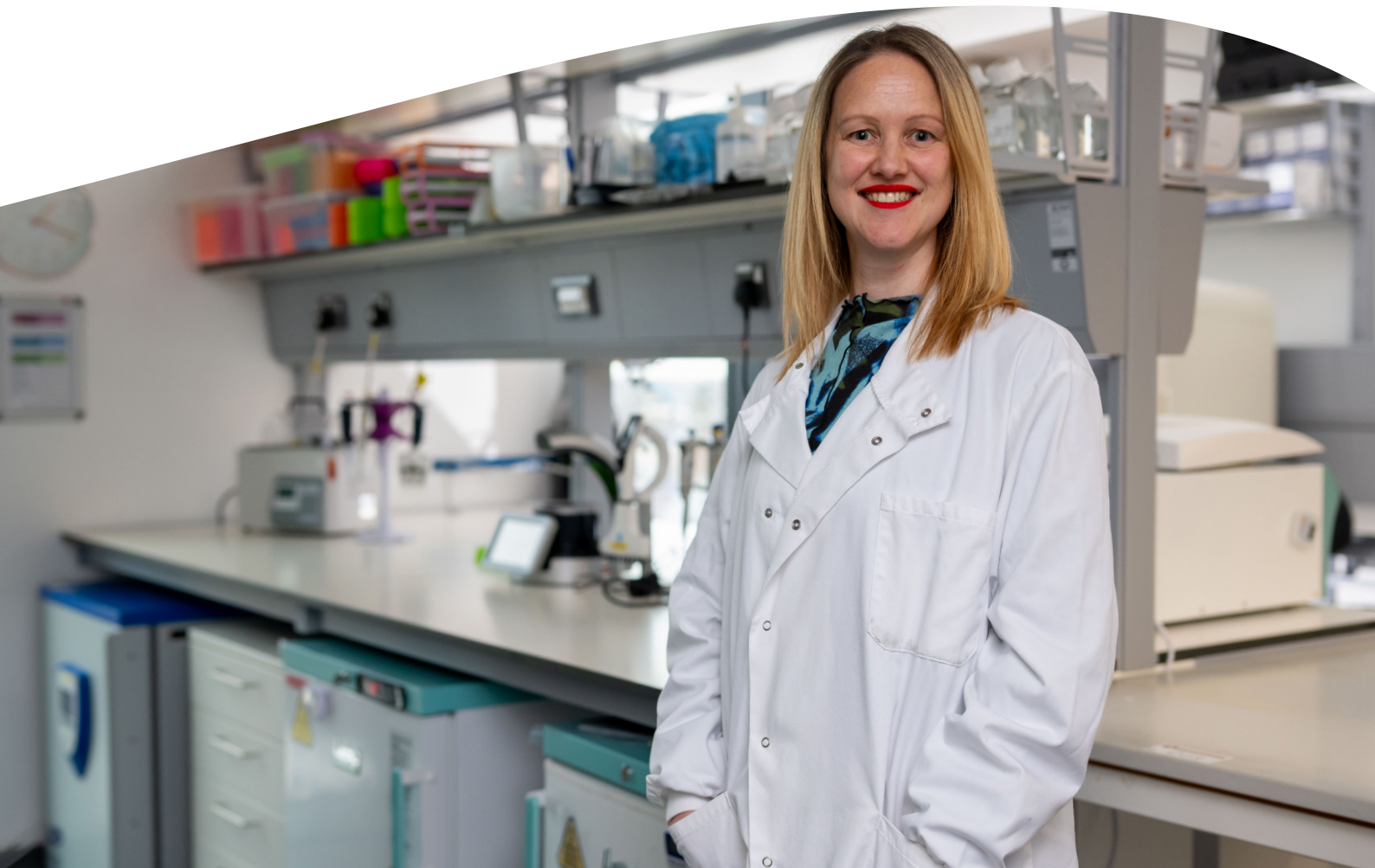


Headline business objectives 2026/27

Operational: Delivery excellence, customer first, financial sustainability

Collaborative and responsive delivery, innovative use of capital and support government policy through structure and expertise

- Build a shared foundation of AI understanding and confidence across the organisation, enabling safe and consistent adoption of AI-enabled ways of working.
- Ongoing delivery of a dedicated programme of efficiency projects across all areas of the business.
- Deliver a comprehensive colleague training plan for continued upskilling and delivery excellence. To include onboarding, Equality and Diversity, regulatory, pathway progression, AI and Welsh learning.
- Prepare the organisation for the new strategic period from April 2027 including establishing the strategy, KPIs and objectives for the next 4-year period and ensure internal and external readiness through clear communication.
- Complete the 3rd Great Places to Work survey and utilise results to ensure best practice and continual improvement.
- Undertake an updated fund fee benchmarking review to ensure ongoing alignment with market rates and public funding value.
- Ensure business security, data integrity, vulnerability mitigation and robust operative systems through a comprehensive cybersecurity.
- Deliver timely and robust governance outputs across internal and external audits of delivery activity.
- Undertake the triennial external evaluation of our Board performance.



Sustainability

In 2025/26 we made good progress in delivering our corporate sustainability strategy. Key areas of work included strengthening responsible investment practices through embedding further ESG integration to our investment process; development of a sustainable finance product offering support to sustainable farming needs; ongoing innovation partnerships; and positioning of our own corporate sustainability targets.

Much of this work has set the foundations to lead us into the priorities for the coming year as detailed below.

Priorities for the coming year include:

1. Developing our approach to integrating reporting and driving value through the UK Sustainability Reporting Standards. Continue annual submission of our sustainability disclosures for the Principles of Responsible Investing and Partnership for Carbon Accounting Financials.
2. Publishing our corporate transition plan.
3. Engaging with stakeholders to understand nature financing requirements and help to unlock developments in Wales.
4. Strengthening partnerships, including with Net Zero Industry Wales to support sustainable economic development.

UK Sustainability Reporting Standards

An upcoming requirement on UK registered companies. Our approach is structured to ensure we can respond proactively once the UK Government confirms the implementation timeline. Integrating our existing work, our aim is to embed this sustainability reporting regime as a core component of how we operate - not simply as a compliance exercise, but as a driver of transparency and long term value.

Net Zero Industry Wales (NZIW)

Following the dissolution of Industry Wales, NZIW will be joining the Development Bank of Wales Group in FY26/27. Through this partnership we will work together to actively explore how to make Wales the country of choice for producing sustainable goods and services through supporting Welsh Industry in its decarbonisation journey.



Property investment services

We continue to work with the Welsh Government Housing and Decarbonisation teams to identify ongoing areas of support to policy that can benefit from the robust financial delivery structures, embedded governance and expert team within the Development Bank. Our current investment services in this area are detailed further below.

Help To Buy - Wales



Over the lifetime of the scheme, Help to Buy – Wales has supported 16,968 applications, resulting in 15,230 completions and 8,360 redemptions, with a total investment of £617 million. Alongside ongoing

delivery, several operational and customer-focused improvements are under way. Card payment capability is being introduced to broaden the range of payment options available to customers, supported by a newly appointed payment service provider. In addition, opportunities for CRM-driven document automation within Arrears and Collections are being explored to improve efficiency, consistency, and auditability. SMS functionality is being introduced to support the administration of Net Promoter Score (NPS) surveys, with the aim of increasing response rates and strengthening customer insights. In parallel, a new risk-ratings framework has been established to enable more structured identification, monitoring, and escalation of customer risk across the loan portfolio, further enhancing oversight and control.

Help To Stay

The Help to Stay - Wales scheme was launched by the Minister for Climate Change in November 2023. Unlike other similar schemes, support extends to preventative action for those Welsh Homeowners facing possession proceedings and/or financial hardship. With rising interest rates, energy costs and general cost-of-living expenses, increasing numbers of homeowners are facing the real prospect of not being able to meet their regular mortgage repayments. For eligible applicants, the scheme will offer a financial assessment by an Independent Mortgage Advisor to determine the most appropriate course of action. The scheme offers bespoke finance to reduce existing monthly mortgage payments to an affordable level and resolve underlying financial issues, which intend to reduce the risk of repossession and homelessness in Wales. The operational team work closely with wider debt advisory services and local authorities in the delivery of the offer. In 2025-26, Scheme eligibility was broadened to include second charges and interest only applications on a case-by-case exceptional basis. In 2026-27 we will further explore additional areas of support to ensure the scheme optimises its ability to support Welsh homeowners and prevent homelessness.



Property investment services

Self Build Wales

Self-Build Wales provides a funding package which currently supports 75% of the cost of a building plot and 100% of the build cost for self-build projects in Wales. To help self-builders meet everyday living costs, there are no repayments until the new home is completed. The Scheme also provides new opportunities for Welsh SME builders to build quality homes. It offers a route into home ownership for people who want to stay in their local area but haven't previously been able to afford to buy there. It also provides older and disabled people the opportunity to build custom adaptive housing that meets their needs, in the communities where they want to live. The Scheme aims to encourage more home builds in Wales and in 2026-27 will explore options for widening the parameters of support to enable more projects to come forward. This includes loan to value thresholds as well as project size.



Green Homes Wales

Launched in October 2024, the Green Homes Wales Scheme provides homeowners in Wales with a comprehensive package of financial support to facilitate energy-efficient improvements to their properties. As the only homeowner vehicle for domestic retrofit in Wales, the Scheme offers a unique combination of interest-free finance, grant funding and fully funded expert advice to help households reduce carbon emissions while lowering their energy costs. The Scheme can be used alongside the UK Government's Boiler Upgrade Scheme, which provides grants for heat pump installations across England and Wales.

Since launch, the Scheme has attracted thousands of expressions of interest, with invitations to apply issued on a phased basis to ensure effective management of demand. Following the success of the initial pilot phase, £5m of new funding has been allocated to extend delivery through 2026/27. Over this period, the Development Bank of Wales and Welsh Government will work collaboratively to evaluate, refine and further develop the Scheme, with a view to scaling up delivery and maximizing its long-term impact.

Cartrefi Gwyrdd Cymru
Green Homes Wales



People

We are proud to be certified as a Great Place to Work™ for the second year in a row. This recognition is based entirely on colleague feedback about their experience of working at the Development Bank, with 89% of colleagues saying it's a great place to work - 35 percentage points higher than the UK average. We're also pleased to be recognised as one of the UK's Best Workplaces™ 2026, ranked 14th among the top 100 large workplaces across the UK. This accreditation reflects the strength of our workplace culture, the quality of our colleague experience, and our continued commitment to supporting our communities.

Whilst this is great news, we recognise that we need to continue to develop and support our colleagues. At the Development Bank of Wales, our people focus continues to combine attracting and retaining talent, valuing our people, building on our performance culture and maintaining excellence. We are a highly flexible employer that understands the importance of a healthy work-life balance.

Over the next 12 months, we will continue to enhance our employer offer by building on the Group's positive culture and ensuring the Development Bank remains a great place to work. We will take a planned and supportive approach to creating a healthy and inclusive working environment, enabling colleagues to perform at their best.

This will include increasing awareness of wellbeing and benefits, strengthening internal communications, enhancing pay transparency, and refreshing formal feedback channels to support engagement.

Through succession planning, we will implement a clear, future focused leadership structure that enhances capability. We will also continue to develop our recruitment and onboarding approach, broadening our talent reach, strengthening employer branding, and supporting internal career development through clear pathways and junior training plans.

We will continue to build on our performance culture through proactive learning and development, ensuring colleagues remain capable, compliant, and high performing. This will include delivering a minimum of four days' training per colleague, providing ongoing development and support for line managers, and fully embedding Kallidus as the core platform for compliance, onboarding, and training.

Finally, we will work across the organisation to support our colleagues with the integration of AI capability to enhance their skills and understanding of the benefits it can bring to their roles.



Bringing together economic and SME research, Economic Intelligence Wales is a unique research collaboration between Development Bank of Wales, Cardiff Business School, Bangor Business School, the Enterprise Research Centre, and the Office for National Statistics.

Economic Intelligence Wales collates and analyses data on the Welsh finance market, enriching understanding of the Welsh economy. Its research provides robust and reliable insight into the supply of, and demand for, finance in Wales within the broader Welsh economic context.

During 2026/27 Economic Intelligence Wales will deliver the following:

- Bespoke reports from all three academic research partners on topics including governance and financing of community-led ventures; the role of 'productivity heroes' in the Welsh economy; business succession planning; and the defence industry in Wales.
- Quarterly reports as well as an annual impact report which will include a deep dive into the Development Bank's investment activity data.

- A continuation of a series of joint events with the Federation of Small Businesses in Wales aimed at Senedd Members and senior external stakeholders.
- A joint report and event with the British Business Bank on SME Access to Finance in Wales, our fourth year of collaborating on this project.
- Explore opportunities to hold joint research dissemination events with other suitable partners.

During 2026, we will undertake a review of Economic Intelligence Wales to inform its next phase from April 2027. This review will seek stakeholder feedback on the research focus, delivery, reach and impact of Economic Intelligence Wales outputs.

Highlight: Planned research project

Small Business Ownership Succession Planning Strategies

Provider

Welsh Economy Research Unit, Cardiff Business School

Summary

This research will explore how small business owners view and approach business succession planning strategies. Despite the importance of business succession planning, limited research has been conducted on this topic. While existing research in this area has tended to concentrate on family-owned enterprises, this study will seek to examine the broader range of existing business ownership models.

The principal focus will be concerned with how businesses successfully prepare to move to their next stage of development. It will adopt a Wales-based case study approach, supported by secondary quantitative data analysis and literature review.

Delivery



Our business funds

Our funding offer has been developed to include cornerstone generalist funding supported by specialist funds focused on specific market gaps. The suite of products allows us to offer and manage a range of risk profiles and additional support, including grant elements in some instances, to drive activity in key areas for economic growth and employment.

In line with the robust fund governance and oversight commitments, over the course of 2026/27 we will complete the annual schedule of fund reviews which work to ensure there is ongoing assessment of continued market need as well as identifying continuous delivery learnings.

£620m Help to Buy - Wales Scheme Supporting home ownership across Wales	£50m Wales Tourism Investment Fund Funding for strategic tourism projects	£25m Rescue and Restructuring Fund Turnaround funding for SMEs
£117m Wales Residential Property Fund Residential property development opportunities	£40m Wales Management Succession Fund Funding buy-out opportunities	£34.5m Wales Micro Loan Fund Supporting sub £50k investment needs
£12.5m Wales Angel Co-investment Fund Co-investment with angel syndicates	£12.5m Local Energy Fund Supporting local renewable energy projects	£92m Commercial Property Fund Funding development of commercial space
£40m Self Build Fund Supporting individuals to custom build their own homes	£500m Wales Flexible Investment Fund Generalist equity and debt fund including delivery of the Green Business Loan Scheme	£5m Sustainable Agriculture Loan Funding for sustainable farming To be launched Summer 26

Investment principles

Our business lending activity is directed by six core investment principles. Our role centres on catalysing action in businesses and by co-investors to generate impact on economic development in Wales.

Our activity must minimise private sector displacement and ensure an economic return - both socially and financially.

In the delivery of government policy, where emergent sectors of markets are identified as requiring incentivisation, exceptions may be made

in order to structure the right financial package to stimulate market activity- as our role as a Development Bank. This has been the case for net zero ambitions with green incentives utilised in certain circumstances.

The ability to do this is always fully aligned to the UK Subsidy Control Regime, either through Minimal Financial Assistance, Streamlined Subsidy channels or registration of a Scheme.

The **six core principles** of the Development Bank's approach to investment are:

- 1 We operate where there is **market failure**, supporting economic opportunity by making finance available to viable businesses and responding to evolving market and customer needs.
- 2 We invest on **commercial terms** pricing the investment fairly to reflect the risk. This ensures we are not displacing the private sector, and that we generate returns that can be recycled into new customers, creating a long-term, value for money asset for Wales.
- 3 We are a **patient investor** providing accessible funding to support the long-term sustainability of the businesses we support.
- 4 We work in close collaboration with the private and public sector and **crowd-in private sector co-investment** wherever possible to increase the flow of funds in Wales.
- 5 We invest for positive financial and non-financial impact in the regional communities we serve. **Environmental, social and governance** are considerations proportionately embedded in our investment decision-making.
- 6 We are a responsible investor, delivering **expert, independent investment management services**. Our experienced team adds value to the businesses we work with, for the life of the relationship.

Policy

Our remit is focused on supporting multiple policy ambitions of the Welsh Government and its wider affiliated bodies. Our objectives continually align with the achievement of economic development impacts in Wales. The main current policy alignment is shown below. In 2026-27 we will work with the new government to adapt our alignment as needed.

Overarching

Programme for Government – The Development Bank to support increasing equity stakes and the provision of patient capital. Also supporting the values of community, equality and social justice.

Working Together to Reach Net Zero: All Wales Plan – All public sector organisations to be net zero by 2030. The Development Bank is committed to supporting this.

Well-being of Future Generations – Seven well-being goals and five ways of working.

Wales Infrastructure Investment Strategy 2021

Environment Act (Wales) 2016 – enabling Wales's resources to be managed in a more proactive and sustainable way, establishing the legislative framework necessary to tackle climate change.

Economy

Economic mission – Continue to support stronger regional economies, drive growth for better jobs in communities and promote a just transition.

Economic Contract – The Development Bank's Economic contract and six delivery pledges.

Regional economic frameworks – Support to delivery programmes as identified.

Manufacturing Action Plan – helping to develop a resilient and high value manufacturing sector.

Innovation Strategy for Wales – adopting a more mission-based approach to innovation.

Agriculture (Wales) Act 2023 – supporting the launch of the Sustainable Farming Scheme with supplementary pilot offer.

Operational

Welsh Language (Wales) Measure 2011 – Bilingual outputs and communications, supporting the ambition for a million Welsh speakers by 2050.

The Procurement Act 2023 – Managing the purchasing of goods and services by the Development Bank.

Fair Work Wales – Adherence to fair work practices.

Remote working – Flexible working to reduce our footprint, supporting Welsh Government aims for 30% of workers to work at or near their homes.

Social Partnership and Public Procurement Act (Wales) 2023 – working together to improve public service delivery and well-being in Wales.

Housing

Programme for Government – The Development Bank supports building an economy based on fair work, sustainability and the industries and services of the future. We unlock and develop modern commercial sites across Wales, which also makes our cities, towns and villages even better places in which to live and work.

Welsh Development Quality Requirements 2021 – Funding developments to support the aim of creating beautiful homes and places, promoting Modern Methods of Construction where possible.


Programme for government well-being objectives

- Build an economy based on the principles of fair work, sustainability and the industries and services of the future
- Build a stronger, greener economy as we make maximum progress towards decarbonisation
- Embed our response to climate and nature emergency in everything we do
- Celebrate diversity and move to eliminate inequality in all its forms
- Make our cities, towns and villages even better places in which to live and work
- Push towards a million Welsh speakers and enable our tourism, sports and arts industries to thrive

Responsible business

We are committed and engage purposefully to ensure Environmental, Social and Governance compliance across all of our operations. We lead through the actions we take and are accountable for the decisions we make. We align our ESG compliance with the following external best practice.


Partnership for Carbon Accounting Financials (PCAF)

 **PCAF** An industry led partnership to facilitate transparency and accountability of the financial industry to the Paris Agreement. As a member of the Partnership for Carbon Accounting Financials, we continue to work towards full transparency of our financed emissions, refining our methodologies, closing data gaps, and ensuring our reporting is decision useful for stakeholders and aligned with evolving PCAF guidance.

Principles of Responsible Investing (PRI)

The world's leading proponent of responsible investment, the UNPRI provides a framework to embed responsible investment to enhance returns and better manage associated risks. As signatories, we embed ESG considerations into our governance, investment strategy and day to day decision making. We work to ensure the consistency and value of ESG assessments and engagement with investees and stakeholders on responsible business practices to benefit Wales.

Investing in Women Code

 **INVESTING IN WOMEN CODE** The Investing in Women Code is a commitment by financial services firms to improving access to tools, resources and finance for women entrepreneurs. We became signatories to the Code in summer 2021.

Prompt Payment Code



The Prompt Payment Code is a voluntary code of practice which sets standards for payment practices between organisations of any size and their suppliers. As a signatory to the Code, we've committed to paying suppliers on time, giving clear guidance to suppliers, as well as adopting and encouraging best practice.

Great Places to Work



Great Place to Work® are the largest global employee survey provider. We work with them to survey our colleagues, benchmark the results and identify gaps to improve culture and engagement and also attract and retain talent.

Net Zero Public Sector - Welsh Government Energy Service (WGES)

A service for Public Sector bodies in Wales formed to support the wider ambition for a coherent route to net zero. We work with WGES and forum of public sector bodies to develop high quality corporate emissions data, clear and credible net zero targets and a corporate carbon reduction plan.

Subsidiaries



FW Capital is the Development Bank of Wales Group's FCA registered fund management arm. It currently operates from 7 offices across the North of England and the South West and extends its operation into Wales as the delivery vehicle for the Wales Business Succession Fund and Investment Fund for Wales. FW Capital currently employs 40 investment colleagues and its operations are overseen by two dedicated fund directors.

Alongside providing the Groups regulated fund management delivery capacity for both Wales and wider regional activity, FW Capital forms a core part of the Group strategy creating direct benefit to Wales through:

Expertise - Widening the scope of the Group's investment activity and therefore increasing the knowledge base and market intelligence across the organisation.

Third party relationships - Successfully securing and delivering contracts on behalf of third parties, including the British Business Bank.

Financial - Making a financial contribution to the Group operations, as well as job creation in Wales for back-office support.

Key priorities for 2026/27 are:

Investment Fund for Wales - Increasing delivery from the Welsh British Business Bank larger debt fund operated by FW Capital to £10m ensuring more Welsh business are supported with growth funding.

Increasing accessible finance for Welsh businesses - Having secured an additional £40m of funding for the Wales Business Succession Fund in 2025/26, FW Capital will continue to develop opportunities with other investors including the Welsh Pension Partnership to increase available SME finance for a broad base of business needs including continuation of discussions for a Local Impact Residential Equity scheme.

Deliver against fund targets - ensure continued strong delivery against the investment targets for its eight live funds operating across Wales, South of England and the North of England, delivering over £60m of funding to SMEs.

Explore new contract opportunities with new investors - FW Capital will consider new fund management opportunities with new and existing investors in its current regions and beyond to continue building expertise, experience, investor relationships and opportunities for cross border delivery - with SME property investment a good test case for this.

Angels Invest Wales



The Angels Invest Wales programme will actively maintain its position as the leading angel network in Wales during 2026/27 and continue to promote the trend towards 'syndicate' investing. This specifically includes a focus on supporting the growth of fixed angel syndicates in Wales through the deployment of the Wales Angel Co-Investment Fund.

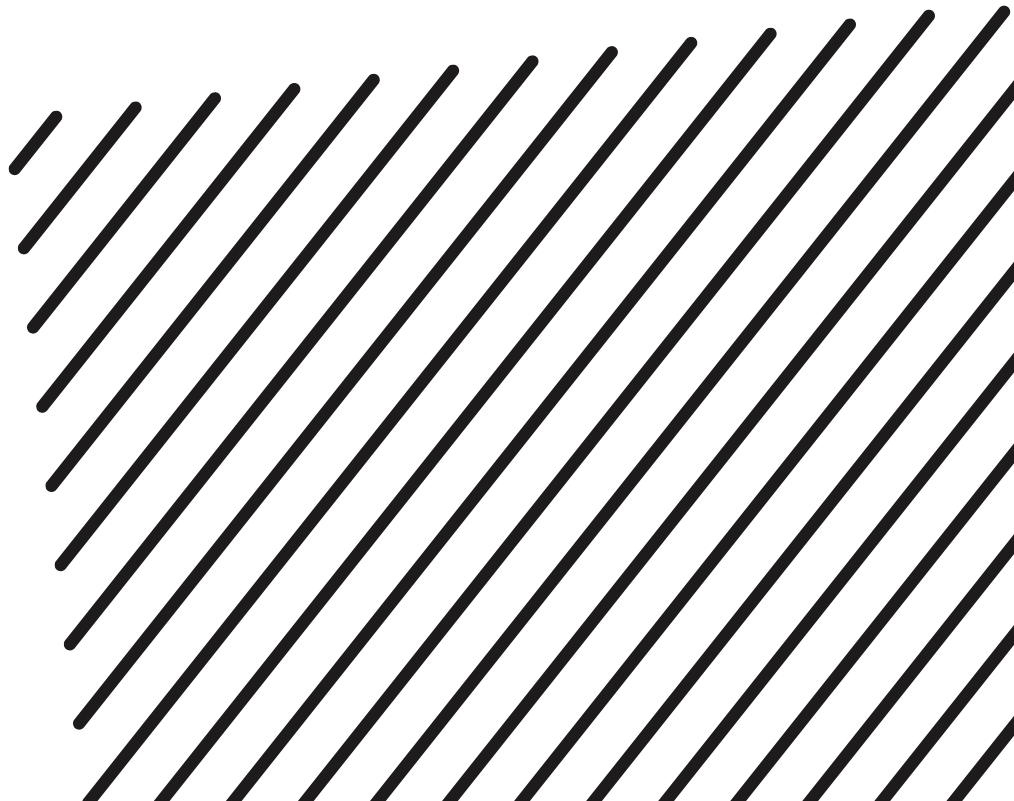
Angels Invest Wales will look accelerate the momentum of the previous years in retaining and growing its number of active investors while expanding co-investment links with other angel groups and early-stage investors.

Specific operational priorities and strategic plans for Angels Invest Wales in 2026/27 are:

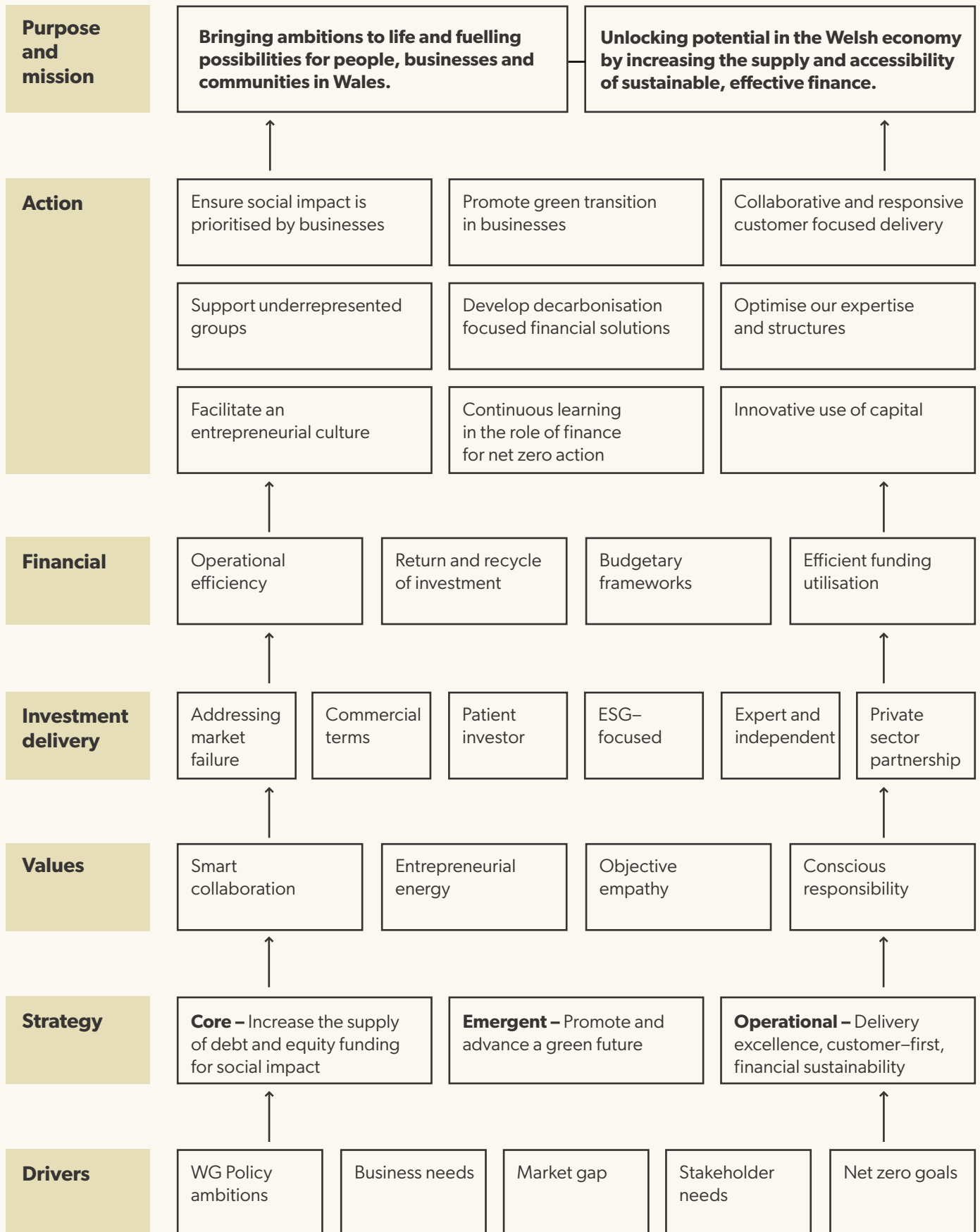
- Deployment of the Wales Angel Co-Investment Fund alongside existing and new angel syndicate.
- An investor engagement strategy to retain the advocacy of the existing investor base, alongside a drive to grow active investor numbers and sectoral and regional syndicates.
- Continued outreach and engagement with businesses (and associated support organisations) seeking angel investment in Wales to marry the supply and demand side growth of angel investment activity in Wales.

- Embracing and utilising new AI technology within Angels Invest Wales to drive operational efficiency; with the aim of giving greater capacity for deployment of the Wales Angel Co-Investment Fund and investor / company engagement.
- Continued close collaboration with our tech ventures team - providing a seamless "one stop shop" for early stage companies seeking seed and venture investment.

Angels Invest Wales will also continue to deliver its programme of events providing early-stage businesses direct engagement with angel investors including both pitch events and investor focused engagement to engender syndicate formation.



Strategy outline





bancdatblygu.cymru
developmentbank.wales



Mewn Partneriaeth â
Llywodraeth Cymru
In Partnership with
Welsh Government

Development Bank of Wales Plc (Banc Datblygu Cymru ccc) is the holding company of a Group that trades as Development Bank of Wales. The Group is made up of a number of subsidiaries which are registered with names including the initials DBW. Development Bank of Wales Plc is a development finance company wholly owned by the Welsh Ministers and it is neither authorised nor regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). The Development Bank of Wales has three subsidiaries which are authorised and regulated by the FCA. Please note that neither the Development Bank of Wales Plc nor any of its subsidiaries are banking institutions or operate as such. This means that none of the group entities are able to accept deposits from the public. A complete legal structure chart for Development Bank of Wales Plc can be found at developmentbank.wales.