

Due Diligence Checklist

It mirrors the structure and wording of the [diagnostic tool](#) so you can move seamlessly from your scores to concrete actions.

A. Personal fit & role clarity (Qs A1–A5)

If you scored low on A1–A5, ask for:

1. Role, duties, and protection

- Board role description, committee charters, expected time commitment (A1–A2).
- Jurisdictional summary of directors' duties and liabilities.
- D&O insurance policy (limits, exclusions, past claims), indemnity wording in charter/bylaws (A3).

2. Conflicts and fit

- Conflict-of-interest policy and recent conflict register entries (A4).
- Board skills matrix and rationale for your appointment (A5).

B. Business model, strategy, context (Qs B1–B5)

If you scored low on B1–B5, ask for:

1. Business model & strategy documents

- Short business model overview or investor deck explaining how the company makes money (B1).
- Latest approved strategic plan and any recent updates (B2).

2. Risk & dependencies

- Enterprise risk register/risk report, including top risks and mitigations (B3).

- Summary of key dependencies (top customers, suppliers, licenses, platforms), including concentration metrics (B4).
- Succession and contingency plans for CEO, CFO, and other critical roles (B5).

C. Financial health & quality (Qs C1–C8)

If you scored low on C1–C8, ask for:

1. Core financials

- Audited financial statements for at least three years (group and major subsidiaries) (C1).
- Latest management accounts and board financial packs (C1, C8).

2. Revenue and profitability quality

- Revenue breakdowns (by segment, product, customer), recurring vs one-off, churn/retention data (C2).
- Margin analyses and bridge/variance explanations for major changes in gross margin and EBITDA (C3).

3. Balance sheet, cash, and funding

- Detailed balance sheet with notes, including off-balance sheet items, guarantees, and contingencies (C4).
- Cash-flow statements, working-capital reports, cash-flow forecasts (C5).
- Bank and funding agreements, covenants, and any breach/waiver history (C4–C5).

4. Audit, tax, and controls

- Auditor engagement letters, management letters for at least three years, and management responses (C6).
- Summary of key tax positions and any significant tax disputes (C6).
- Internal audit plan, key internal audit reports, and follow-up status on findings (C7).
- Overview of internal control framework/risk & control matrix (C7–C8).

D. Governance, board quality, culture (Qs D1–D7 + term/interlock items)

If you scored low on D1–D7 or term-limit/interlock questions, ask for:

1. Board composition & independence

- Current board list with roles, independence status, and key skills (D1).
- Board skills matrix and succession/refreshment policy, including **term limits/maximum tenure** (new term-limit Q).
- Disclosure of other boards/companies on which current directors serve, to identify **board interlocks** (new interlock Q).

2. Board operations & materials

- Board and committee charters (audit, remuneration, risk, nomination, ESG) (D2).
- Board and committee calendars; board packs and minutes for the past year or more (D2–D4).

3. Culture & evaluation

- Latest board and committee evaluation summary and action plan (D3).
- Code of conduct, whistle-blowing, and investigation procedures (D5).
- Examples where the board has challenged and changed management proposals (D4).

E. Management quality & board–management relationship (Qs E1–E5)

If you scored low on E1–E5, ask for:

1. Access to key people

- One-to-one conversations with the Chair, CEO, CFO, and at least one independent NED (E1).
- Clarification of how information flows from management to the board (E2–E3).

2. Leadership depth and succession

- Organisation chart with key roles and successors identified (E4).
- Any internal talent or leadership review materials, if available (E4).

3. **Board influence examples**

- Concrete cases where the board materially shaped strategy, risk appetite, or major transactions (E5).

F. Risk, reputation, and red flags (Qs F1–F5)

If you scored low on F1–F5, ask for:

1. **Legal, regulatory, and compliance**

- Register and status of current, pending, and threatened litigation, investigations, or regulatory actions (F1).
- Compliance reports for key regimes (sector regulation, data protection, competition, etc.) (F1–F3).

2. **ESG, safety, and cyber**

- ESG / sustainability report and key KPIs, particularly climate, safety, and diversity metrics where relevant (F3).
- Health & safety performance reports and any serious incidents (F3).
- Data privacy and cybersecurity policies plus summaries of material incidents (F3).

3. **Reputation & stakeholders**

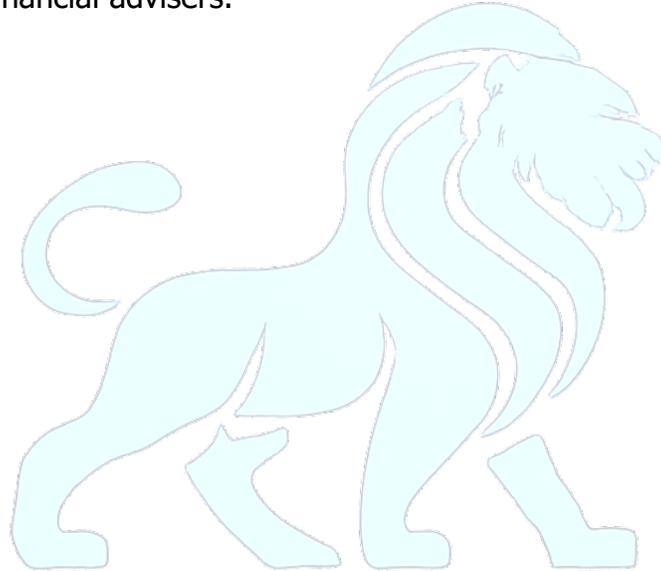
- Recent media coverage, analyst reports, and credit reports (F2).
- Any activist campaigns or NGO reports touching the company (F2).

4. **Insurance & protection**

- D&O policy, broader insurance programme, and any notable exclusions or gaps (F1–F4).

How to use this checklist with your results

- Start with your **lowest-scoring items** and all **!** questions where you scored 1–3.
- For each such question, look up the matching section above and request the listed documents or conversations.
- Use the checklist as an agenda for further due diligence meetings and for discussions with your legal/financial advisers.



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