

# Bitcoin strategic risk awareness in FTSE 100 companies

A study of 2024 Reports and Accounts of FTSE 100 companies

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## Abstract

This study aims to understand to what extent organisations and their senior leaders are prepared from a risk management perspective for the rise of what may be a foundationally disruptive technology.

The study is based on analysis of the publicised 2024 Reports and Accounts of FTSE 100 constituent companies. Whilst this a limited sample of entities, the data was easily accessible and that means that the analysis, findings and conclusions could be completed and shared in a timely manner.

By scanning for exceptions, there is a high likelihood that the data used is materially representative for all medium to large organisations within the United Kingdom and worldwide, including non profits, charities and government institutions.

The study finds that the vast majority of strategic leaders are currently flying blind with respect to the emergence of Bitcoin. They are failing in their fiduciary duties to identify, assess, monitor and act upon risks that threaten or offer opportunities to the assets of their stakeholders for which they should be acting as responsible custodians.

After reading this report which highlights the gap, senior leaders would now also be negligent were they not to act to bring Bitcoin into the scope of their strategic risk management.

## Introduction and Background

In late 2022 an initial review of the reports and accounts of FTSE 100 constituent companies was performed. The purpose was to see to what extent, if at all, major public companies in the United Kingdom (UK) had identified strategic risks associated with the rise of Bitcoin. This review showed that companies in the UK were flying blind and that there could be major risks that were not being assessed or monitored.

The initial review was what prompted the writing of a new educational curriculum aimed at senior leadership and Boards. This curriculum has Risk Management at its core, and its purpose is to enable medium and large organisations to remove their blindfolds, identify, assess, monitor and react to emergent risks that the rise of Bitcoin may present. This curriculum is aimed at helping organisations to spot threats and opportunities that this technology may create.

The curriculum is being published as open source to the world via Mi Primer Bitcoin and can be found hosted on their GitHub repository.

The co-writers of the curriculum are available to help senior leaders in organisations who wish to check for blind spots as part of their fiduciary governance roles on behalf of the stakeholders to whom they are answerable.

A one line summary objective for the curriculum would be:

“To provide the basis for all organisations to understand why they need to add The Rise of Bitcoin to their Risk Registers.”

Aim / Target: To get all organisations to add The Rise of Bitcoin to their Risk Registers.

This new report has been prepared based on the 100 2024 Reports and Accounts of FTSE 100 constituent companies as at May 2025. One of its purposes is to provide a baseline analysis from which future progress can be monitored. Another was to see whether the findings of the initial review were still valid in 2025. As can be seen from the Conclusions, this is very much the case.

# Methodology

A list of the FTSE 100 constituent companies was obtained on 16 May 2025 from Fidelity.co.uk.

The latest Report and Accounts were downloaded in pdf format for each of the 100 companies. Depending on the date of a company's year end, the end date of the period covered by a report varied, but they all lay within the period 31 March 2024 to 31 December 2024.

A number of quantitative metrics were recorded:

- The total number of pages in the report and accounts
- The total number of pages related to risk and the risk function
- The number of times there was a text match to "crypto", "digital asset" or "bitcoin"

Where there were text matches the context and surrounding paragraphs were noted for qualitative discussion.

The core hypothesis is that organisations are not identifying, assessing or monitoring risks associated with the rise of Bitcoin. The following limitations within the methodology with respect to the hypothesis were identified:

- The data is limited to just organisations which are the top 100 public companies in the UK
- The data is limited to what is being reported publicly, and it doesn't contain some of what may sit in risk registers further down the organisation.

The author of this research is open to evidence from any companies, public or private, in any jurisdiction, and any non-profit, charitable or government institutions which highlight that the use of the data in this research to support the hypothesis is materially invalid. They are unaware of any such evidence at the time of this report. The author encourages any FTSE 100 companies or any other medium or large organisation anywhere in the world to get in touch if they have evidence to the contrary.

# Findings and Discussion

## **Quantitative Findings**

The number of pages in 2024 reports and accounts for FTSE 100 companies ranged from 26 to 536. The arithmetic mean is 244 pages.

Of these the number of pages dedicated to Risk Management ranged from 3 to 133. The companies that had the largest proportion of pages dedicated to Risk Management were in the Banking Sector.

There were a total of 1,556 pages dedicated to Risk Management out of a total of 24,390 pages. This gives a mean percentage 6.4% of Risk Management pages in the reports and accounts. This percentage ranged from 1.2% to 27.5% across all 100 documents.

Overall the word, or part word 'digital asset' was found 46 times across 13 companies; the word, or part word 'crypto' was found 12 times across 9 companies; the word, or part word 'bitcoin' was found 3 times across just 2 companies.

## **Qualitative Findings**

Of the 13 companies that had reports containing the text string 'digital asset', 6 of these were simply referencing internal IT equipment or other physical or software digital assets. The context shows that the reports were not discussing digital assets in the sense of cryptocurrencies or Bitcoin.

In total 12 companies mentioned 'crypto', 'Bitcoin' and/or 'digital asset' with a context relevant to this study's hypothesis.

## **Discussion**

Of the two companies which named Bitcoin in their report and accounts, one merely noted its rise in value during the period to a new all-time high price of \$100,000, but no risks were identified or developed beyond this observation. The second company, the London Stock Exchange Group Plc itself, was referencing regulatory and technical developments related to trading Bitcoin index derivatives. So, this wasn't about a future risk being managed, but one more example of Bitcoin's growth.

Eight of the 12 companies with relevant commentary had a focus that was merely security or compliance related. For instance protection from cybercrime or money laundering. Whilst relevant, these are operational rather than strategic risks.

One of the remaining four was an investment company. Similar to the London Stock Exchange it was talking about successful projects it had been part of during the year related to digital assets.

Just three companies identified strategic risks that fit the nature of Bitcoin and were about the risk of its continued growth to their core businesses, rather than simply as an operational security risk such as cybercrime or money laundering. However, none of these businesses identified Bitcoin specifically, but cryptocurrencies more generally. Two of these businesses were banks, and one was in the precious metals mining industry.

## Conclusions

It is reasonable that some risks may not appear in the annual report and accounts if the organisation rates the likelihood as low, timeframes as long or the impact as low. However, since it is likely that these assessments would differ by organisation and industry, the general lack of mentions is likely to be indicative of the risks not being managed anywhere in the organisations studied.

97% of FTSE 100 companies appear to flying blind with regards to identifying, assessing and monitoring strategic risks to their core businesses that Bitcoin may present as it continues its growth. Not one company correctly linked the elephant in the room, Bitcoin with a market cap of almost twice all the other cryptocurrencies combined, to any strategic risks based on textual analysis.

This will make these entities vulnerable\* both through unmitigated threats emerging and opportunities being taken by others, particularly by smaller companies including new entrants.

The author would like to congratulate the one non-financial company, that has spotted a risk that the continued growth of Bitcoin may present to its core business. That business is Fresnillo Plc. Hats off to the Risk team at Fresnillo!

\*If you are a Board Member, a Trustee or a Director of any medium to large organisation and you would like a free strategic briefing please email [riseofbitcoin@proton.me](mailto:riseofbitcoin@proton.me)