

3i Group plc

Slavery and human trafficking statement for the financial year ended 31 March 2024 (“FY24”)

This statement is made by 3i Group plc (“3i”) pursuant to Section 54 of the Modern Slavery Act 2015 (“MSA”) and applies to all 3i’s subsidiaries (as defined in the UK Companies Act) whether incorporated within or outside the UK which are in-scope of the MSA. A full list of 3i’s subsidiaries is set out in note 30 to the 3i Group plc annual report for the 12 months to 31 March 2024 which is available on 3i’s [website](#).

This statement was approved by the Board of Directors of the Company on 25 September 2024.

Overarching statement

3i is committed to achieving its investment objectives in a sustainable way by behaving responsibly as an investor, an employer and a corporate citizen. In particular, 3i is committed to ensuring that (i) there is no slavery or human trafficking in any part of its business or supply chains and (ii) the companies in which it invests are similarly committed to ensuring that there is no slavery or human trafficking in any part of their businesses or supply chains.

Meaning of slavery and human trafficking

Our understanding of slavery and human trafficking is based on the definitions set out in the MSA and is guided by the UN Universal Declaration of Human Rights and the conventions of the International Labour Organisation (ILO) particularly relating to forced or compulsory labour. We recognise that forced labour as a form of slavery includes debt bondage and the restriction of a person’s freedom of movement whether that be physical, non-physical or, for example, by the withholding of a worker’s identity papers.

3i’s business

3i is an investment company specialising in Private Equity and Infrastructure. We invest in mid-market companies headquartered in Europe and North America. 3i’s investment portfolio was valued at c£21.6 billion as at 31 March 2024 and its total assets under management were c£34.7 billion.

Our Private Equity business invests in companies with an enterprise value of typically between €100m and €500m and international growth potential. Our Infrastructure business invests in core-plus assets with strong infrastructure characteristics.

We currently have operations in seven offices across Europe, North America and Asia. The average number of employees during FY24 was 246 of which 158 were employed in the UK. We comply fully with human rights legislation applicable in the countries in which we operate and, if those laws provide lesser protection than UK law, we apply the principles enshrined in UK law.

We have a comprehensive suite of corporate responsibility policies which are available on our [website](#), including our global policies on Equal Opportunity & Diversity, Global Recruitment & Selection and Health & Safety. All 3i staff globally have access to a completely independent and confidential telephone service managed by EthicsPoint which they can use to report any concerns. We are very confident that there is no slavery or human trafficking taking place in any part of 3i’s business.

3i's governance structure

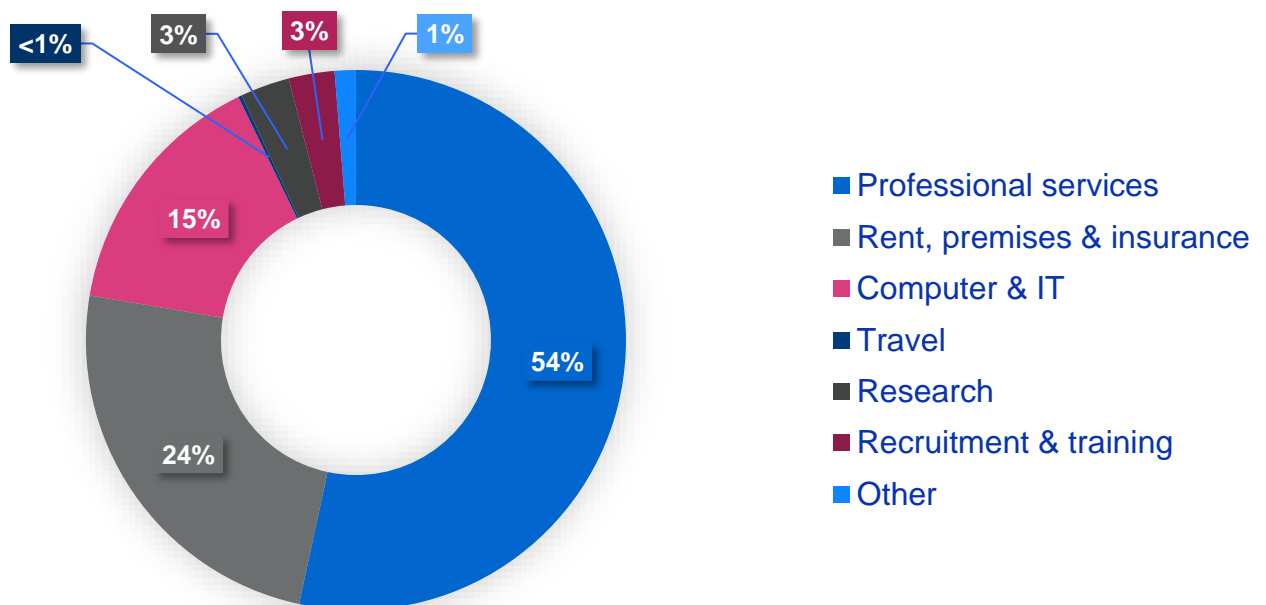
The Board is responsible for the oversight of 3i's sustainability strategy, approach and policies, including human rights issues such as slavery and human trafficking. The Board and its committees review our approach and policies in this important area and address specific issues if they arise. Day-to-day responsibility rests with executive management and, in particular, the Chief Executive. The Chief Executive has also established a number of committees to oversee and monitor policies and procedures and to address issues if they arise, including the Executive Committee and the ESG Committee which includes specific responsibility for modern slavery within its terms of reference.

3i's supply chain in FY24

The pie charts and table below show the breakdown of 3i's total in-scope spend with suppliers in FY24 by reference to (i) the category of supplier, (ii) the geographical regions in which those suppliers are based and (iii) the estimated prevalence of modern slavery in those countries as well as the strength of response of their respective governments, as assessed in the Global Slavery Index 2023 ("GSI 2023") published by Walk Free, an international human rights group based in Australia and focussed on the eradication of modern slavery in all its forms.

"In-scope" spend relates to goods and services supplied to 3i during FY24 and, therefore, excludes spend such as staff remuneration & pension costs, taxes, social security costs, fees paid to regulatory and similar authorities and charitable donations. We also set a 'de minimis' threshold and suppliers to whom 3i paid less than £20,000 in total are considered out-of-scope – 3i's total spend with such 'small suppliers' accounted for less than 4% of 3i's total annual supplier spend in FY24.

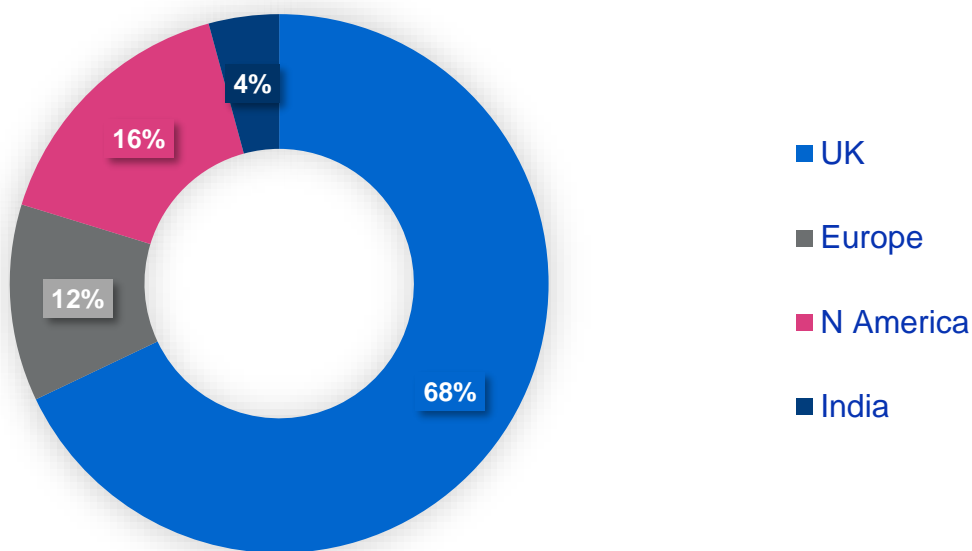
3i's FY24 in-scope supply chain broken down by category of suppliers



The pie chart above shows that the largest category of suppliers (professional advisers & consultants) accounted for c54% of 3i's total in-scope supplier spend in FY24 (FY23: c58%). We consider that the types of suppliers – and the types of goods and services which they provide to 3i – are relatively lower-risk in terms of potential exposure to modern slavery. This is particularly the case since the goods and services supplied to 3i are not typically those identified by GSI 2023 as being

most at risk of forced labour: electronics sourced from China and Malaysia, garments, palm oil, solar panels, textiles, timber, fish, gold, cattle, sugarcane, coffee, cocoa, rice and coal.

3i's FY24 in-scope supply chain broken down by geographical region in which the suppliers are based



The pie chart above shows that suppliers located in 3i's main markets of the UK, Europe and North America represented c96% of 3i's total in-scope supplier spend in FY24. The principal countries in which 3i's in-scope suppliers were based are shown in the table below, together with the relevant risk factors taken from the GSI 2023:

Country	Percentage of 3i's total in-scope supplier spend in FY24	Prevalence of modern slavery victims per 1,000 population ⁽¹⁾	Government response to modern slavery ⁽³⁾	Risk-rating ⁽²⁾
UK	67.9%	1.8	1 st category	Low
USA	15.6%	3.3	1 st category	Medium-Low
Other EU	4.2%	0.5 to 3.8	1 st category	Low to Medium-Low
India	4.2%	8.0	3 rd category	Medium
Netherlands	2.7%	0.6	1 st category	Low
Germany	2.5%	0.6	1 st category	Low
France	2.1%	2.1	1 st category	Low
Canada	0.6%	1.8	1 st category	Low

(1) GSI 2023 uses a risk model to generate average predicted probabilities of modern slavery by country - the lowest (best) prevalence was 0.5 per 1,000 of population (Norway and Switzerland) and the highest (worst) prevalence was 104.6 per 1,000 of population (North Korea).

(2) The risk-rating is derived from the relative prevalence score assigned by GSI 2023 to each country.

(3) GSI 2023 assigns a score to national governments to rate their response to slavery – there are seven categories, with the strongest responses falling into the 1st category and the weakest responses falling into the 7th category.

Our analysis shows that c80% of 3i's total in-scope supplier spend in FY24 was with suppliers based in countries with a Low risk-rating and c96% was with suppliers based in countries with a Low or a Medium-Low risk-rating. The country with the highest (worst) prevalence amongst 3i's in-scope supply chain was India, which accounted for c4.2% of 3i's total in-scope supplier spend and c0.05% of total (in-scope and out-of-scope) supplier spend. Virtually all of the spend in India related to one supplier (Infosys) which provided financial and accounting services from its centre in Bangalore.

In terms of 'small suppliers' who were paid less than £20,000 by 3i in FY24, c97% (by value) were based in the UK, Europe and North America with the remaining c3% (by value) based in South Korea (3.5 victims per 1,000), Brazil (5.0 victims per 1,000) India (8.0 victims per 1,000), and UAE (13.4 victims per 1,000). The United Arab Emirates had the highest (worst) prevalence score of all the countries in which 3i's suppliers were based but accounted for only c0.02% of total (in-scope and out-of-scope) supplier spend and related to professional services received from a local tax advisory firm.

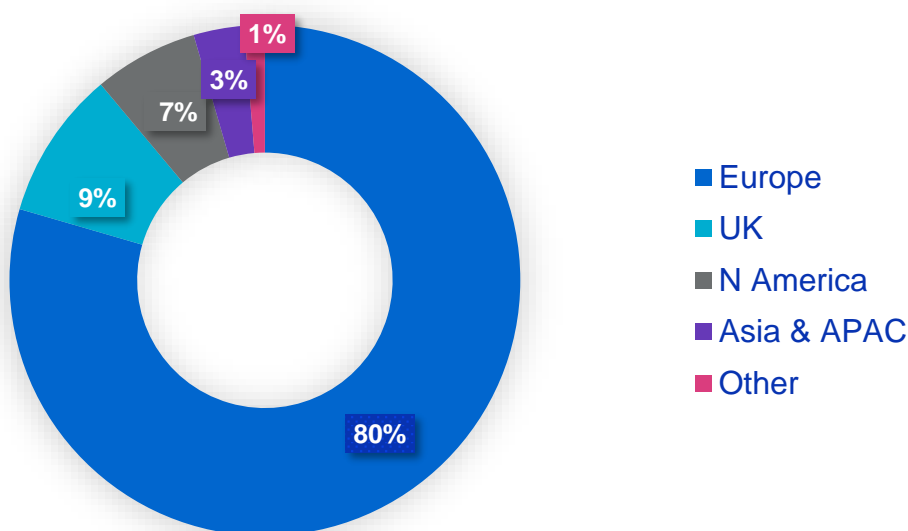
3i's portfolio in FY24

Whilst 3i's investment portfolio does not fall within the ambit of Section 54 of the MSA, as a responsible investor 3i is committed, where we have influence, to ensuring that the companies in which it invests are themselves committed to ensuring that there is no slavery or human trafficking in any part of their businesses or supply chains.

3i has been a signatory to the UN Principles of Responsible Investment since August 2011 and a copy of our latest PRI Transparency Report is available on the [PRI website](#).

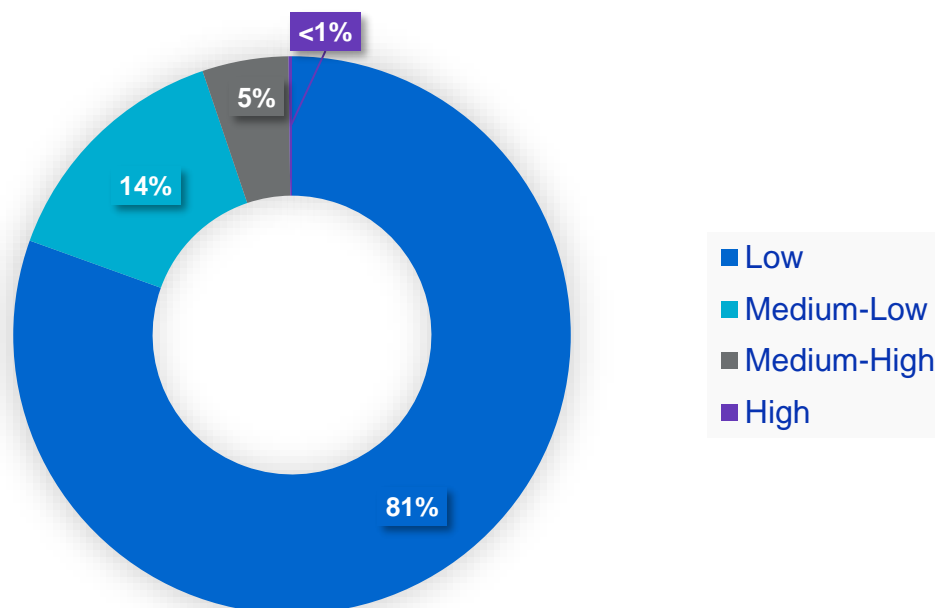
Our analysis of the countries in which our portfolio companies generated turnover during FY24 is set out in the pie charts below:

Total portfolio turnover in FY24 broken down by GSI 2023 classification of the countries in which the portfolio turnover was generated



Our analysis shows that c96% of total portfolio turnover in FY24 was generated in 3i's main markets in Europe, the UK and North America.

Total portfolio turnover in FY24 broken down by GSI 2023 risk classification of the countries in which the portfolio turnover was generated



Our analysis shows that c95% of total portfolio turnover in FY24 was generated in countries which are classified as ‘Low’ and ‘Medium-to-Low’ risk. The countries in which 3i’s portfolio generated turnover during FY24 which are at the highest risk of exposure to modern slavery are shown in the table below:

Country	Prevalence of modern slavery victims per 1,000 population ⁽¹⁾	Percentage of 3i’s total in-scope supplier spend in FY24
Saudi Arabia	21.3	0.06%
Turkey	15.6	0.04%
Russia	13.0	0.06%
Kazakhstan	11.1	0.02%
Pakistan	10.6	0.01%
		0.19%

We are aware that many of our portfolio companies have operations and/or supply chains based outside northern Europe and North America, including in countries which have a higher risk of exposure to modern slavery. 3i’s investment in Action, the international non-food discount retailer, is 3i’s most valuable portfolio company and is an example of such a company.

Action – update

3i’s largest portfolio company is Action, Europe’s fastest growing non-food discount retailer with c2,500 stores in 12 countries serving 15.3 million customers a week on average and employing more than 69,000 people in its stores and distribution centres.

Action’s principal risk of exposure to slavery is through its supply chain. In 2023 Action introduced a new Human Rights and Environmental Due Diligence policy and Child Labour policy as part of its efforts to eliminate the risk of child labour in its supply chain. Action requires its suppliers to sign up to an ethical sourcing policy, which sets out minimum standards in areas such as forced labour, health and safety, pay and working rights. In addition, it requires all factories in high-risk countries to have an annual social compliance audit. Regular spot checks are performed to ensure

factories remain compliant. During 2023, 2,104 audits were carried out at Action suppliers and factories as well as 88 spot checks at factories in Asia. Action works with external partners to ensure expected standards are upheld, including amfori and supply chain expert ImpactBuying. In 2023, Action also began to work with the Centre for Child Rights & Business to support its efforts to reduce risk in its supply chain.

3i's investment and portfolio management processes

The active management of environmental, social and governance risks (including modern slavery) is integral to 3i's investment, portfolio management and value creation process.

3i's approach to human rights in the context of its investment portfolio is incorporated within its [Responsible Investment policy](#). 3i's policy has been not to invest in businesses which we view as unethical, including those which do not respect the human rights of their workers. We specialise in core investment markets in Europe and North America, which are generally considered to have a relatively lower potential risk of human rights breaches. However, we are aware that many of our portfolio companies have operations and/or supply chains based in higher-risk countries. Human rights risks are assessed in our detailed portfolio company reviews. For portfolio companies with higher-risk supply chains, there is a focus on whether the portfolio company has a supply chain policy or code of ethics in place, who at board level has responsibility for monitoring supply chain issues, the extent to which supply chain audits are carried out and whether there have been any material issues in these areas.

Further detail on our due diligence and portfolio monitoring processes are set out in the Sustainability section of our Annual report and accounts 2024 which is available on 3i's [website](#).

Training

During the period, 3i arranged dedicated human rights training sessions targeted at all staff, led by an experienced practitioner and business advisor with over 20 years' experience in responsible sourcing and human rights diligence. The content covered in these sessions included the key principles of human rights, the human rights due diligence process, and the expectations of both 3i's investors and portfolio companies. Further, more portfolio-specific, training is planned.

Monitoring and review

We will continue to monitor our supply chain and portfolio in relation to slavery and human trafficking through our regular supplier reviews and portfolio company reviews.



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Chief Executive
3i Group plc