

TCFD entity-level disclosures

3i Investments plc

for the year ending 31 March 2024

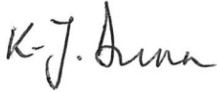
Introduction and compliance statement

3i Investments plc ("3i Investments"), a wholly-owned subsidiary of 3i Group plc ("3i Group") is authorised and regulated by the Financial Conduct Authority ("FCA") to manage Alternative Investment Funds ("AIFs"). It is currently the Alternative Investment Fund Manager ("AIFM") of a number of AIFs, including 3i Group.

This report is published by 3i Investments in compliance with the requirements of the FCA's Environmental, Social and Governance sourcebook ("ESG sourcebook"). These require certain regulated entities to publish entity-level disclosures regarding the overall assets managed by them in relation to their relevant business in line with the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD").

3i Investments' approach towards climate risks and opportunities is aligned with that of the broader 3i Group and, where relevant, this report relies on and cross refers to the 3i Group TCFD disclosures available on pages 58 to 68 of the [3i Group Annual report and accounts 2024](#).

The disclosures in this report, including those cross-referenced in it, comply with the requirements under chapter 2 of the ESG sourcebook. Any information provided by third parties is believed to be reliable, but has not necessarily been verified by 3i Investments.



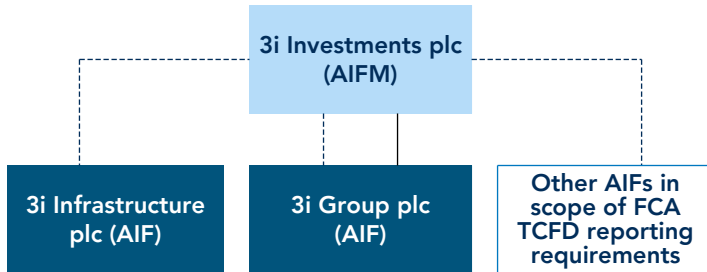
Kevin Dunn
General Council

15 May 2024

Regulatory background

3i Investments is a wholly-owned subsidiary of 3i Group and relies on the 3i Group TCFD disclosures set out on pages 58 to 68 of the 3i Group Annual report and accounts 2024 in line with the ESG sourcebook.

The diagram below shows the TCFD reporting requirements for the entities subject to disclosures:



- Funds with public TCFD product reports
- Funds with on-demand TCFD product report
- AIFM with entity-level disclosures

Governance

The governance of climate change risk and opportunities at 3i Group level, including non-executive oversight and the management's role in assessing and managing climate-related risks and opportunities, is set out in detail in 3i Group TCFD disclosures on pages 58 to 60 of the Annual report and accounts 2024. 3i Investments' policies, process and governance of the management of climate-related risks and opportunities are designed to support the delivery of the 3i Group's approach.

 [3i Group Annual report and accounts 2024](#)

Strategy

As 3i Investments' strategy for the consideration of climate-related risks and opportunities, including approach to climate-related scenario analysis, is consistent with 3i Group's strategy, please refer to the "**Strategy**" section of the TCFD disclosures on pages 61 to 63 of the 3i Group Annual report and accounts 2024.

Risk management

As 3i Investments' approach to identifying, monitoring and managing climate-related risks is consistent with that of 3i Group, please refer to the "**Risk Management**" section of the TCFD disclosures on page 64 of the 3i Group Annual report and accounts 2024.

Metrics and targets

3i Investments' climate metrics

The metrics below provide information on the GHG emissions from assets managed by 3i Investments. These metrics cover 98.5% of the AUM of 3i Investment plc as at 31 March 2024 and are calculated in line with the TCFD recommendations implementation guidance.

Results as at 31 March 2024	Definitions of climate metrics
Portfolio emissions 419,132 tCO ₂ e	Total portfolio emissions is the absolute Scope 1 and 2 GHG emissions associated with a portfolio. We are allocating GHG emissions for each portfolio company using the fully diluted equity ownership of each portfolio company by funds managed by 3i Investments ¹ .
Carbon footprint 12.6 tCO ₂ e/£m invested	Carbon footprint is total portfolio emissions (Scope 1 and 2) normalised by the value of the portfolio ¹ , expressed in tonnes of CO ₂ e/£m invested.
WACI 29.6 tCO ₂ e/£m revenue ²	Weighted Average Carbon Intensity ("WACI") is a portfolio's exposure to carbon-intensive companies, expressed in tonnes CO ₂ e/£m revenue. It is calculated using the carbon intensity for each portfolio company (Scope 1 and 2 emissions/revenue) apportioned based on the weight of each portfolio company within the whole portfolio.

¹ Sourced from 3i Group's finance systems.

² Sourced from portfolio companies.

Methodology and GHG emissions data source

As a private equity and infrastructure asset manager, 3i Investments is able to collect data from its portfolio companies.

We request Scope 1 and Scope 2 (location and market-based) GHG emissions data from all core portfolio companies on an annual basis. This data is provided directly from portfolio companies through an ESG data collection tool. If a company provides Scope 2 market-based data, this is used for the climate metrics calculation. If Scope 2 market-based data is unavailable, location-based data is used. Scope 3 GHG emissions data is provided by portfolio companies where available and we are working to improve our Scope 3 data coverage further.

Estimations and data gaps

Where current year data is not available, but previous year data is available, we estimate the current year data using data from the previous year, adjusted based on year-on-year changes in revenue.

Where the data is not available, it is noted as a data gap. The significance of the data gap is disclosed through the data coverage indicator (98.5% of the AUM provided above).

Data quality

As we manage private companies that are at different levels of climate-related risk maturity, we have decided to add a data quality score to the data that we are disclosing to ensure that readers understand the reliability and quality of the data provided. Some of the portfolio companies have only just started to estimate their GHG emissions while others have robust processes in place to calculate and assure the data.

We have used a custom scale to reflect overall data quality using the Partnership for Carbon Accounting Financials ("PCAF") methodology as a guide and adjusting it to reflect the specificities of our business model:

Characteristics of the data	Data quality	Certain
Emissions of the company are available and reported by the portfolio company as being verified by a third party	1	↑ Certain
Prior year emissions of the company are available and reported by the portfolio company as being verified by third party. The emissions for the current year are estimated based on prior year emissions and year-on-year changes in revenue	2	
Emissions of the company are available and reported by the portfolio company as being verified internally	3	
Unverified emissions of the company are available, including those calculated using our ESG data collection tool	4	
Emissions of the company, including those calculated by the portfolio company using our ESG data collection tool are estimated using a GHG emissions calculator using spend data	5	
		Uncertain

The data quality score for 3i Investments is 2.0. It is derived by assigning each portfolio company a data quality score, weighted by that company's emissions as a percentage of total portfolio emissions.

Portfolio net zero alignment scale

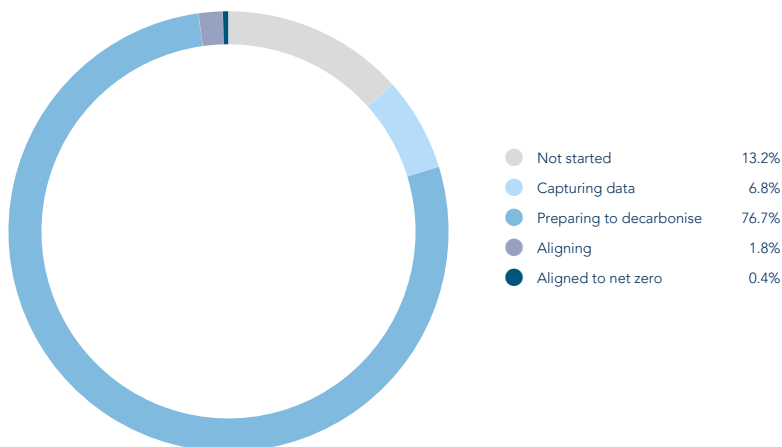
Initiative Climat International (iCI) and the Sustainable Markets Initiative’s Private Equity Task Force have developed the Private Markets Decarbonisation Roadmap to enable private markets firms to drive their transition to a low-carbon economy. The metric used within this roadmap is based on the climate maturity of each portfolio company rather than on an implied temperature rise metric which is the methodology suggested by the FCA for climate disclosures. We are using the Private Markets Decarbonisation Roadmap metric because it aligns best with our science-based targets. The Alignment Scale of the Roadmap (as published by the leaders of the initiative) is summarised in the table below:

	Not started	Capturing data	Preparing to decarbonise	Aligning	Aligned to net zero
Definition	Not started to measure emissions or plan how to reduce them	Reporting emissions data but currently no plan in place to reduce emissions	Planning to reduce emissions in-line with an approach agreed with the GP	Committed to a decarbonisation plan aligned to a transition pathway	Delivering against a net zero plan and operations aligned to science-based target
Criteria	<ul style="list-style-type: none"> Minimal or no emissions data No decarbonisation plan in place 	<ul style="list-style-type: none"> Measuring Scope 1 and 2 emissions from operations, alongside material Scope 3 emissions, and making data available to fund 	<ul style="list-style-type: none"> Decarbonisation plan in place but level of ambition not aligned to net zero pathway 	<ul style="list-style-type: none"> Committed to near-term science-based target aligned to a long-term net zero pathway 	<ul style="list-style-type: none"> Demonstrated YoY emissions profile in line with pathway

We categorised portfolio companies covering 98.2% of 3i Investments’ AUM as at 31 March 2024 in line with the roadmap’s Alignment Scale. The current alignment of the portfolio based on total financed emissions is set out in the diagram below.

While the majority of our portfolio is preparing to decarbonise, we have had to categorise a number of our portfolio companies in the “not started categories”. Many of these companies have only recently begun to calculate their Scope 3 GHG emissions, but are not yet in a position to report all material Scope 3 categories to us.

We have categorised companies that have set science-based targets using the SBTi’s SME target setting process as “aligning”, even though some of them have not yet reported all material Scope 3 categories to us.



GHG emissions reduction targets

The Science-Based Target Initiative (“SBTi”) validated 3i Group’s near-term emissions reduction science-based targets (“science-based targets”) in March 2024. 3i Group’s science-based targets cover its direct Scope 1 and 2 emissions and the Scope 3 emissions associated with its portfolio and have been formulated in line with the guidance published by SBTi for the private equity sector. The boundary of the targets for portfolio emissions includes all eligible assets managed by 3i Investments plc and other asset managers owned by 3i Group plc. 3i Group will disclose its progress towards achieving these targets, using relevant KPIs, on an annual basis from FY2025. For more information, please refer to page 68 of the 3i Group Annual report and accounts 2024.

Third-party service providers

3i Investments adheres to 3i Group’s procurement policy, which outlines the processes and criteria to be followed in the selection of service providers. Our supply chain consists predominantly of the procurement of professional services in the markets in which we operate. 3i Group’s Scope 3 emissions from purchased goods and services and capital goods totalled 7,807.9 tCO2e in FY2024. This is immaterial when compared to the emissions associated with our portfolio, which are detailed in the section above. We do not, therefore, integrate an assessment of climate factors when selecting our suppliers. We have instead chosen to focus at this time on engaging with our portfolio companies on their climate impacts. We will work on the integration of climate factors in the selection of service providers at a later stage.

3i Group’s procurement policy is available on the [website](#).