

3i Group plc

Annual report and accounts 2026



A long-term view



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For definitions of our financial terms used throughout this report, please see our Glossary on pages 237 and 238.

Disclaimer

The Annual report and accounts have been prepared solely to provide information to shareholders. They should not be relied on by any other party or for any other purpose.

The Strategic report on pages 3 to 104, the Directors' report on pages 105 to 145 and 170 to 176, and the Directors' remuneration report on pages 146 to 169 have been drawn up and presented in accordance with and in reliance upon UK company law and the liabilities of the Directors in connection with those reports shall be subject to the limitations and restrictions provided by that law. This Annual report may contain statements about the future, including certain statements about the future outlook for 3i Group plc and its subsidiaries ("3i" or "the Group"). These are not guarantees of future performance and will not be updated. Although we believe our expectations are based on reasonable assumptions, any statements about the future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.



Our purpose

We generate attractive returns for our shareholders and co-investors by investing in private equity and infrastructure assets.

As proprietary capital investors, we have a long-term, responsible approach.

We aim to compound value through thoughtful origination, disciplined investment and active management of our assets, driving sustainable growth in our investee companies.

FY2026 Performance highlights

Another strong year for 3i driven by long-term compounding growth across our portfolio.

22%

Total return as a % of opening shareholders' funds in the 12 months to 31 March 2026

(2025: 25%)

84.5p

Dividend per share

(2025: 73.0p)

£31.8bn

Investment portfolio value as at 31 March 2026

(31 March 2025: £25.6bn)

£44.3bn

Total assets under management as at 31 March 2026

(31 March 2025: £38.7bn)

An outstanding track record of growth since 2012

3,030p

NAV per share
as at 31 March 2026

+986%

Percentage growth in
NAV per share
(FY2012 – FY2026)

£5.4bn

Total dividend distributions
to shareholders since the
June 2012 restructuring¹

+18%

CAGR annual dividend
(FY2012 – FY2026)

¹ Includes the second FY2026 proposed dividend of 84.5 pence per share.

NAV per share FY2012 – FY2026 (pence)



Total dividend per share FY2012 – FY2026 (pence)



Chair's statement



FY2026 saw 3i deliver another year of consistent execution against its strategy, driving long-term growth for shareholders despite market volatility and geopolitical uncertainty.



David Hutchison
Chair



FY2026 was another year of consistent execution against our strategy, with total return again exceeding 20% and net assets surpassing £30 billion. This outcome was driven by the continued compounding growth of Action and Royal Sanders, disciplined capital allocation into our best investments, and attractive returns from exits across our portfolio, against heightened geopolitical uncertainty and a continued challenging global economy.

Performance and market environment

In our financial year to 31 March 2026 ("FY2026"), the Group generated a total return of £5,304 million (2025: £5,049 million) or 22% (2025: 25%) on opening shareholders' funds. Net asset value ("NAV") increased to 3,030 pence per share (31 March 2025: 2,542 pence per share).

Global economic conditions during the year were largely shaped by geopolitical developments. In our principal markets, Europe experienced subdued growth while the US economy showed relative resilience. Against this backdrop, consumers remained highly value-conscious, with discretionary spending tightly managed.

In 2025, Action continued to deliver its winning formula and execute its expansion strategy impressively. It delivered another year of strong key operating metrics, which compare well against its most relevant peers, and achieved expansion into two new countries in a single year, alongside a record number of store openings across 14 countries. Action entered its fifteenth country in early 2026. Reflecting our long-term conviction, we increased our equity stake in Action meaningfully during the year, through a combination of cash and non-cash consideration, including the issuance of 3i Group plc shares, with total investment of £2.6 billion.

Action remained the principal driver of the Group's return in FY2026. Royal Sanders, another long-term holding, delivered a strong performance and continued to play a key role as a consolidator in the fragmented private label and contract manufacturing personal care market.

Across the broader portfolio, consumer and private label was our best performing sector in the year. We saw positive contributions from our healthcare, services and software and industrial sectors, with only a small number of assets delivering softer performance, largely reflecting asset-specific issues or end-market conditions. We continue to monitor rapid developments in artificial intelligence ("AI") closely, and our current direct exposure to the software sector is limited.



[Action case study see pages 26-33](#)

Chair's statement continued

Our investment activity remained focused on further investment in several of the strongest assets within our portfolio. We continued our strong track record of delivering realisations at money multiples of over 2x our invested capital across both Private Equity and 3i Infrastructure plc ("3iN"), with the disposals of MPM, MAIT and TCR. These transactions highlight sustained demand for high-quality assets despite ongoing caution in the market.

Dividend

Our policy is to maintain or grow the dividend year on year, subject to the strength of our balance sheet and the outlook for investments and realisations. Cash generation remains strong, with cash inflows of £1.9 billion from our portfolio companies in FY2026.

In line with our policy and in recognition of the Group's financial performance, the Board recommends a second FY2026 dividend of 48.0 pence (2025: 42.5 pence), subject to shareholder approval, which will take the total dividend to 84.5 pence (2025: 73.0 pence). Based on the recommended dividend and the expected payment in July 2026, we will have paid a total of £5.4 billion to shareholders in dividends since our restructuring was announced in June 2012, growing our total dividend by a compound annual growth rate of 18% over this period.

Board and people

After serving as a non-executive Director for over nine years, Stephen Daintith will not be standing for re-election at the 2026 AGM and accordingly will retire from the Board at the end of that Meeting. I would like to thank him for his contribution to the Board and chairing of the Audit and Compliance Committee. I am pleased to confirm that Hemant Patel will become the next Chair of the Audit and Compliance Committee.

Sustainability

Managing sustainability-related risks, alongside the opportunities arising from embedding sustainability considerations into the long-term development of our portfolio companies, remains integral to protecting and enhancing portfolio value.

We welcomed the validation of our near-term science-based emissions reduction targets ("science-based targets") in FY2024 and note the strong progress achieved across all of them, including the early delivery of our portfolio engagement target. The Board continues to enhance its oversight of climate-related risks to ensure these are systematically integrated into investment processes and portfolio management practices.

Outlook

The Group's performance in FY2026 was underpinned by our two high-quality long-term hold assets delivering consistent compounding growth and a broader portfolio that has, once again, demonstrated resilience through periods of uncertainty and disruption. This performance provides a strong foundation as we enter FY2027 against an increasingly uncertain geopolitical backdrop.

We are committed to allocating capital efficiently and in the best interests of shareholders to drive sustainable long-term returns. Our capital management approach incorporates our disciplined focus on new investments and realisations, further investment in existing portfolio companies when opportunities arise, and the active management of our own capital structure.

Despite the progress in the year, the Board is conscious that the second half of the year has been challenging for shareholders, as the share price has adjusted from the significant premium to NAV that had built up, particularly over the preceding two years. Our focus is, as it has been since 2012, on building sustainable value in the portfolio as measured by growth in NAV and dividends per share, where the benefits of compounding returns accrue to shareholders over the long term.

FY2026 was another year of consistent delivery of returns in excess of our 15% return target per annum, whilst the performance of the portfolio underpins our confidence for the future.

David Hutchison

Chair
13 May 2026

Alternative Performance Measure ("APM")

3i prepares its statutory financial statements in accordance with UK-adopted international accounting standards. However, we also report a non-GAAP "Investment basis" which we believe aids users of our report to assess the Group's underlying operating performance. The Investment basis is an APM and is described on page 88. Total return, which is defined as Total comprehensive income for the year and net assets are the same under the Investment basis and IFRS and we provide a reconciliation of our Investment basis financial statements to the IFRS statements from page 89. We assess our performance using a variety of measures that are not specifically defined under IFRS and are therefore termed APMs. These include: gross investment return ("GIR") as a percentage of opening value, cash realisations, cash investment, operating cash profit, net (debt)/cash and gearing. These APMs are referred to throughout the report and their purpose, calculation and reconciliation to IFRS can be found on page 93.

The shape of our business

3i is an investment company specialising in Private Equity and Infrastructure, investing in mid-market companies headquartered in Europe and North America. We focus on building a portfolio that compounds value over the long term, delivering consistent returns for shareholders across market cycles.

3i Group investment portfolio as at 31 March 2026



The shape of our business continued

Long-term hold portfolio companies

Action

Action is one of the largest non-food discount retailers in Europe. At the end of P3 2026 (29 March 2026), Action had 3,335 stores. Action offers its customers an ever-changing variety of over 6,000 good quality products at the lowest price. Following our initial investment in 2011, we have actively managed Action through European expansion from one country to 15 countries under our ownership. The business achieved net sales of €16 billion in 2025. At 31 March 2026, our investment in Action formed 75% of total portfolio value. The business has returned £5.8 billion of cash proceeds over our holding period.

£23.7bn

Valuation at 31 March 2026

£1.2bn

Cash proceeds received in FY2026

Royal Sanders

Royal Sanders is a leading European private label and contract manufacturing producer of personal care products. Following our investment in 2018, we have supported Royal Sanders in expanding its position as a best-in-class operator in its sector, consolidating a fragmented industry with nine bolt-on acquisitions under our ownership.

£1.2bn

Valuation at 31 March 2026

Private Equity

Our Private Equity business is funded principally from our proprietary capital, with additional funding from co-investors for selected assets. Its principal focus is to generate attractive capital returns.

[Private Equity](#) see pages 25-42

£29.7bn

Portfolio value (including long-term hold portfolio companies) at 31 March 2026

£1.8bn

Total cash proceeds received (including long-term hold portfolio companies) in FY2026

Infrastructure

Our Infrastructure business manages assets on behalf of third-party investors and 3i's proprietary capital, with the objective of generating attractive capital returns and earning fund management fees and portfolio income for the Group.

[Infrastructure](#) see pages 43-47

£6.9bn

Assets under management ("AUM") at 31 March 2026

£104m

Total cash income in FY2026

Sectors

- Consumer & Private label
- Healthcare
- Industrial
- Services & Software

Sectors

- Communications
- Energy
- Transport & Logistics
- Utilities
- Social Infrastructure



Chief Executive's statement



In FY2026, we generated a total return on shareholders' funds of £5,304 million, or 22%, closing the year with a NAV per share of 3,030 pence. Over the last 14 years, we have grown NAV per share by 986%, demonstrating our success in compounding value through volatile market cycles and generating attractive long-term returns for our shareholders.



Simon Borrows
Chief Executive



Against a backdrop of heightened geopolitical tensions and a lower growth environment, particularly in Europe, we delivered another strong performance in FY2026, underpinned by the continued compounding growth of our long-term hold assets, Action and Royal Sanders.

Action's strong track record and compelling growth journey continued in 2025. The business once again delivered year-on-year top line growth and increased profitability, while accelerating its international store rollout, opening a record number of new stores and, for the first time, entering two new countries in a single year.

Expansion momentum continued into early 2026 with entry into its fifteenth country and the business has significant further international expansion potential. We continue to have strong conviction in Action, reflected in the allocation of significant additional 3i capital to increase our stake during the year.

Royal Sanders is also experiencing robust momentum, achieving another year of top-line growth and continuing to execute its value-accretive buy-and-build strategy.

Across our remaining portfolio, we are seeing a number of standout performers in our consumer and private label sector, while our other sectors remain resilient. Our realisation activity continues to demonstrate our ability to crystallise strong outcomes for shareholders in cautious markets, with three exits from Private Equity and 3iN at money multiples materially above our 2x target.

Chief Executive's statement continued

We have held many of our portfolio companies over a number of years through disruption and uncertainty, including the pandemic and Russia's invasion of Ukraine. Throughout these periods, our portfolios have demonstrated resilience, and the experience we have gained through these times, and the active management approach we have taken, position us well to assess and respond quickly to any potential impacts from recent geopolitical developments. Across our portfolio, we have limited direct exposure to the Middle East through either portfolio company operations or revenue generation. However, we continue to monitor both direct and indirect impacts, particularly in the event of an extended period of disruption.

Action remained the significant driver of the Group's financial performance in FY2026. In 2025, Action delivered another year of impressive earnings growth despite a more cautious consumer backdrop in France, its largest market. Store expansion continued at pace, with the business achieving several key rollout milestones. International store rollout is central to Action's long-term growth strategy, and it has significant white space potential remaining across Europe. Following an in-depth market study, the business has announced a strategic decision to enter the US in late 2027 or early 2028.

Private Equity performance

In the year to 31 March 2026, our Private Equity portfolio, including Action, generated a GIR of £5,303 million, or 23% on opening value (2025: £5,113 million or 26%). In the last 12 months ("LTM") to 31 December 2025, 96% of our portfolio companies by value grew earnings.

Long-term hold portfolio companies

Action

Action generated a GIR of £4,510 million, or 25%, on its opening value, as it delivered another year of strong performance.

Action's winning formula and customer proposition of offering good-quality products at the lowest prices continues to prove highly compelling to its customers, reflected in a record-breaking year in 2025 for customer visits, with an average of 21.6 million each week.

Action 2025 financial performance

In the 52 weeks to 28 December 2025, Action generated net sales of €16,000 million (2024: €13,781 million), representing growth of 16% year-on-year. Like-for-like ("LFL") sales growth was 4.9% (2024: 10.3%), driven primarily by growth in transaction volumes.

Action saw LFL sales growth across all of its markets in 2025, with particularly strong performance in its Central and Eastern and Southern European markets. In the Netherlands, Action's most mature market, it delivered an above-average LFL performance, proving the strength and relevance of its formula in an established market. However, the overall LFL performance for the year was moderated by relatively weaker trading in France, Action's largest market. Excluding France, LFL sales growth for Action was 7.2% in 2025. In France, LFL sales growth was 1.3% reflecting a number of headwinds, including underlying consumer caution and increased competition and promotional intensity across the retail sector.

Action's operating EBITDA over the same period was €2,367 million (2024: €2,076 million), 14% ahead of 2024. The operating EBITDA margin for the year was 14.8%. After adding back the one-off payment of €26 million made to staff during the year to celebrate Action's 3,000th store, the EBITDA margin was 15.0%.

Action store expansion and distribution network

Action once again delivered record store expansion in 2025, adding 384 net new stores and surpassing 3,000 locations. As at 28 December 2025, the business operated 3,302 stores across 14 European countries. The year also marked Action's entry into Switzerland and Romania, its first expansion into two new markets within a single year. Performance in both geographies has been encouraging and reinforces our confidence in the continued scalability of the format across Europe. Since entering Italy in 2021 and Spain in 2022, Action has opened more than 320 stores in the two countries combined. In March 2026, Action opened its first store in Croatia, its fifteenth country. In the first three periods of 2026 (P3 2026 ending 29 March 2026), Action added a further 33 net new stores, meaning the business had 3,335 stores across 15 countries at that date.

Action's estimate of additional white space potential in existing and identified in-scope European countries is c.4,650 stores as at the end of 2025, including the addition of Croatia and Slovenia as new countries in 2026 and Bulgaria in 2027.

Action continued to strengthen its supply chain infrastructure during the year, opening three new distribution centres ("DCs") in Wallersdorf (Germany), Dunikowo (Poland) and Novara (Italy). As a result, the total DC network now stands at 18 across Europe, with plans to open a further three DCs in 2026 in France, Italy and Spain, to facilitate its further store growth.

Chief Executive's statement continued

3i Group transaction activity with Action

During the year, we continued to increase our stake in Action, completing a number of separate transactions. In September 2025 and January 2026, we acquired approximately 5.1% of Action's equity from GIC in exchange for the issuance of new ordinary shares in 3i Group plc, representing an equivalent consideration of £1.7 billion.


In October 2025, following a further successful refinancing and capital restructuring at Action which returned £944 million of gross proceeds to 3i, we redeployed £755 million to acquire an additional 2.2% stake from existing LPs. In addition, we took the opportunity to acquire additional stakes in Action investing a further £72 million during the year.

As a result of all of these transactions, we increased our equity stake in Action from 57.9% to 65.4%.

In addition to the refinancing, Action also repriced €3.1 billion of its existing term-loan debt, extending the maturity of a portion of the debt and generating an annual interest cost saving of €14 million.

Action continues to generate strong cashflow, achieving an 83% cash conversion of EBITDA in 2025. The business made a dividend distribution to all shareholders in December 2025, returning £246 million to 3i. In total, 3i received £1.2 billion in cash from Action in FY2026. Action had a cash balance of €751 million as of 29 March 2026 and a net debt to run-rate EBITDA ratio of 2.8x. In May 2026, Action approved a further dividend distribution to all shareholders, expected to return c. £255 million to 3i.

IN FOCUS ACTION



Net sales 2025
€16.0bn
 +16% vs LY

Operating EBITDA 2025
€2,367m
 +14% vs LY

Net new stores 2025
+384
 +352 in 2024

Action's geographic footprint (countries)
15

Number of Action distribution centres
18

➤ **Action case study** see pages 26-33

“

Our largest investment, Action, is an example of our strategy of compounding value over the long term.

”

Simon Borrows
Chief Executive

Chief Executive's statement continued

3i Group valuation of Action

At 31 March 2026, we valued our 65.4% stake in Action at £23,743 million. Our approach to the valuation of Action remains consistent. The valuation reflects the continued strong growth in Action's LTM run-rate EBITDA, its low leverage and an unchanged LTM run-rate EBITDA valuation multiple of 18.5x, net of the liquidity discount. Further detail on the Action run-rate EBITDA methodology can be found on page 29. We continue to benchmark our long-term, through-the-cycle view on Action's multiple against a broad peer group of discounters, with a higher weighting towards the top-quartile subset of North American value-for-money retailers, noting that Action's operating KPIs continue to compare strongly against its peer group.

In addition, the transactions we completed in Action during the year have involved third-party investors, including a number of existing LPs in the 2020 Co-Investment Programme, both selling and buying stakes in Action, providing validation of our valuation methodology and our assessment of Action's fair value. Each of these transactions were executed at the previous published valuation at that date.

Action performance in the first three periods of 2026

In the first three periods of 2026, Action delivered net sales of €4,010 million and operating EBITDA of €498 million, 14% and 7% ahead of the same period last year. LFL sales growth was 3.6%, impacted by poor weather conditions in Northern Europe in Q1. The operating EBITDA margin was 12.4%. Action's trading is typically weighted to the second half of its financial year, with most new store openings taking place in the final quarter.

Royal Sanders

Royal Sanders continued to strengthen its position as a leading European personal care platform in 2025, delivering another year of robust growth, supported by above market performance from its key customers. A core pillar of our investment thesis in Royal Sanders remains its role as a consolidator in the personal care market, with nine acquisitions completed under our ownership, including the acquisition of Vendoleo in December 2025. These acquisitions have been highly value-accretive and have consistently exceeded expectations, with a strong pipeline of further potential opportunities identified for the coming years. We made a further investment of £56 million during the year, reflecting our continued confidence in the long-term potential of the business.

Private Equity portfolio companies

Consumer and private label portfolio companies

Audley Travel delivered a strong result in 2025, supported by demand for premium tailor-made travel, despite a more cautious backdrop in some long-haul markets. The business benefited from operational improvements and will soon launch new technology initiatives aimed at enhancing both the customer journey and the overall service experience. Despite a largely flat online lighting market, **Luqom's** positive momentum continued in 2025, benefiting from a differentiated lighting product range and clear operational progress, which has enabled it to strengthen its market position. **European Bakery Group** ("EBG") demonstrated its resilience in an environment of rising input costs and evolving customer demand. It strengthened its footprint with the acquisition of a significant production site in Germany in March 2026, adding extra capacity, as well as new customer contracts. We recognised a dividend of £8 million from the business at the end of FY2026.

Chief Executive's statement continued

Healthcare portfolio companies

Cirtec Medical delivered a broadly stable performance in 2025, while managing a significant product transition to a customer's next-generation device, which we reflected in a modestly lower valuation at 31 March 2026. The business continues to build good momentum across new customer programmes and is well positioned in what remains a high-growth end market.

With the bioprocessing market returning to growth and demand strengthening across key end markets, **SaniSure** ended 2025 with impressive momentum, following strong operational execution and commercial traction with major biopharmaceutical partners. This progress is reflected in a high-quality, full pipeline across its product offering.

The **ten23 health** development lab in Basel and the fill-finish lines in Visp continued to perform well in 2025, supported by strong demand for pre-filled syringes, cartridges and other specialised injectable formats. Further production capacity is expected to come online across its second site in Visp in 2027. We invested a further £37 million in the year. The remaining vascular business of **Q Holding**, Q Medical Devices, saw sustained demand in the year, driven by customer launches.

Industrial portfolio companies

Tato's trading was broadly flat in 2025, with early momentum in the first quarter of the year easing as weaker volumes and more competitive markets impacted performance from the second quarter. Across its global footprint, solid growth in China, Mexico and India was offset by a weaker US outcome and flat trading in Europe. **AES** delivered a steady year with solid operational performance and continued strategic progress, with significant investment in factory capacity, robotics and new technology that will further improve its product and service offerings over the longer term. Both Tato and AES remain highly cash generative, and we received a total of £27 million of dividends in FY2026.

Services and Software portfolio companies

Evernex saw strong commercial momentum, underpinned by good performance in its core third-party maintenance services. The business also continued its buy-and-build strategy, completing the acquisitions of Sunrise Technologies in Morocco and Comptest in Poland. **OMS Prüfservice** outperformed the wider German testing market in 2025, with robust demand in its core testing segments, and returned £32 million of cash funding to 3i in just one year since our initial investment.

xSuite's move to a subscription model progressed well in 2025, with approximately two thirds of revenue now from recurring sales. Its core product, accounts payable invoice automation, is deeply rooted in customers' finance systems, which currently makes it less exposed to the AI-driven pressure affecting the wider software market. We have nevertheless reflected the broader market de-rating in our valuation of this asset. The recruitment market has continued to be muted. As a result, **Wilson** continues to experience challenging trading conditions.

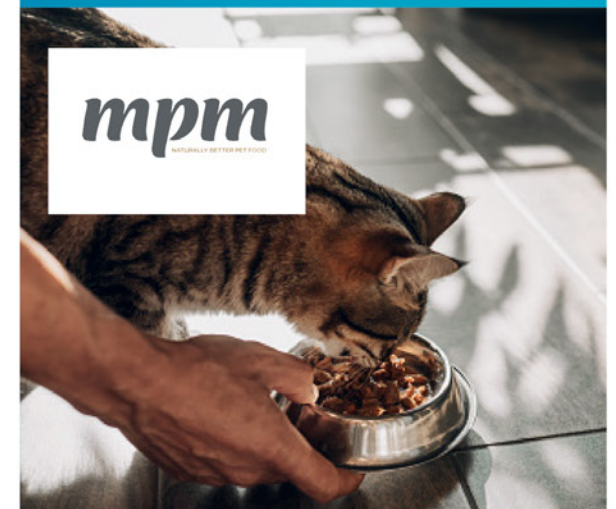
IN FOCUS MPM

Total proceeds to 3i
£395m

Sterling money multiple
3.2x

IRR
28%

[MPM case study](#) see page 38



Chief Executive's statement continued

Private Equity realisations

We completed two significant Private Equity realisations in FY2026, generating total proceeds of £542 million.

In September 2025, we completed the sale of **MPM**, generating proceeds of £395 million. Since our investment in December 2020, MPM more than doubled sales and EBITDA, materially expanded its international footprint and strengthened its omnichannel platform, with strong growth across pet specialty, food, drug, mass retail and online channels. The business also invested in brand development, product innovation and operational capability, further enhancing its position as a premium product. The transaction delivered an 18% uplift to the 31 March 2025 valuation, a 3.2x money multiple and a 28% IRR.

In November 2025, we completed the sale of **MAIT**, generating proceeds of £147 million. Since our investment in 2021, MAIT has delivered strong organic growth and completed 14 acquisitions, strengthening its position as a leading IT solutions provider to the manufacturing mid market. EBITDA more than doubled over the period, with a significant increase in recurring revenues. The transaction delivered a 34% uplift to the 31 March 2025 valuation, a 2.8x money multiple and a 28% IRR.

[Investment and realisation activity](#) from page 36

Infrastructure performance

In the year to 31 March 2026, our Infrastructure portfolio generated a GIR of £106 million, or 7% on the opening portfolio value (2025: £52 million, 3%) reflecting a 5% increase in 3iN's share price to 333 pence at 31 March 2026 (31 March 2025: 318 pence) and a good level of dividend income.

In the year to 31 March 2026, 3iN generated a total return on opening NAV of 8.5%, continuing its consistent track record of returns in line or above its 8–10% target range. This performance reflects the work of 3i's highly experienced infrastructure investment team and a strong infrastructure portfolio. The primary driver of 3iN's return was the announced realisation of **TCR** in the year. This realisation is expected to generate proceeds of €1.6 billion for 3iN and 3i managed funds. Of these total proceeds, 3iN will receive €1,140 million, representing a c.50% uplift on its 31 March 2025 value. TCR has been an excellent investment for 3iN, more than doubling the number of airports in which it operates and completing six bolt-on acquisitions to drive growth and expand into new markets. Upon completion, a portion of the TCR proceeds are expected to be recycled into 3iN's new investment of **Lefdal Mine Datacenter**, a high quality data centre campus on the west coast of Norway.

IN FOCUS MAIT

Total proceeds to 3i

£147m

Sterling money multiple

2.8x

IRR

28%

[MAIT case study](#) see page 37



Chief Executive's statement continued

3iN's result was achieved notwithstanding a material write-down of **DNS:NET**, which has been adversely affected by the deterioration in the financing environment for fibre roll-out in Germany.

Our proprietary capital investment in **Smarte Group** (formerly Smarte Carte) saw resilient trading in 2025, as good performance across its international carts, lockers and ancillary airport service segments offset weaker US carts performance. Across the North American Infrastructure Fund, we received cash proceeds of £17 million, primarily from Regional Rail following its refinancing in March 2026.

Scandlines performance

Scandlines delivered a resilient result in FY2026, and our investment generated a GIR of £55 million, or 10% of opening portfolio value (2025: £46 million, 9%). Leisure performed well, offsetting softer freight volumes as demand continues to be affected by the weakened economic situation in Germany and Scandinavia. Scandlines remains highly cash generative with strong cash conversion and we received dividends of £21 million in FY2026.

Sustainability

The climate agenda remains central to our sustainability activities, and we have made strong progress across all three of our science-based targets. We have achieved our FY2028 portfolio engagement target early. This target required us to use our influence to encourage our portfolio companies to set their own science-based targets. To date, ten portfolio companies across our portfolios (including 3iN portfolio companies), representing 52% of 3i's invested capital, have set approved science-based targets, with seven already demonstrating meaningful reductions in emissions.

We have also continued to strengthen our assessment of climate-related risks and opportunities within our investment and portfolio management processes, with particular emphasis this year on physical climate risks. This work, alongside our science-based targets, supports portfolio companies in implementing appropriate mitigation measures to address the wide range of operational, commercial and reputational risks associated with climate change. Beyond climate, we have maintained our focus on supporting portfolio companies in effectively identifying and managing their most material sustainability-related issues.

Charitable donations

We continue to support charities which relieve poverty, address homelessness, promote education and youth development and support elderly and disabled people. We donated £1.2 million across these initiatives as part of our ordinary charitable activities. Our portfolio companies also supported a variety of charities relevant to them and their operations, with donations totalling £6.7 million.

IN FOCUS TCR

Expected realised proceeds for 3iN and 3i managed funds

€1.6bn

Money multiple¹

3.6x

Gross realised IRR¹

20%

¹ Return on 3iN's stake

[TCR case study see page 45](#)



Chief Executive's statement continued

Balance sheet and foreign exchange movement

We ended FY2026 with net debt of £547 million and 2% gearing, after returning £765 million of cash dividends to shareholders in the year. During the year, we refinanced our existing £900 million revolving credit facility ("RCF") with a new five-year £1.2 billion facility at improved pricing. As a result, our liquidity at 31 March 2026, including our undrawn RCF, was £1,864 million. We remain disciplined on costs and generated an operating cash profit of £276 million in the year.

As a result of the two share issuance transactions in the year, we increased the number of 3i Group plc shares in issue by 51 million.

Due to sterling weakening against the euro and strengthening against the US dollar in the year, we recorded a total foreign exchange translation gain of £786 million (March 2025: £259 million loss), including a loss on foreign exchange hedging of £14 million (March 2025: £82 million gain).

On 14 May 2026, the Company announced that it will commence a share buyback programme of its ordinary shares of 73 19/22p each for up to a maximum aggregate consideration of £750 million, to be completed by no later than 31 December 2026.

3i share price volatility

For the first time since the pandemic, our share price declined materially in the second half of FY2026, after several years of very strong share price growth. In our view, this performance does not reflect the strong returns delivered during the year or the Company's long-term potential. We acknowledge that share price progression in public markets is not always linear, and our confidence in the long-term compounding potential of Action and the opportunities within the wider portfolio is undiminished. We believe we are well positioned to continue to deliver strong returns for our shareholders over time.

Outlook

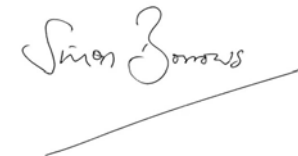
I said last year that the market environment would remain complex with heightened geopolitical uncertainty. This turned out to be a good general description of the complex backdrop we operated in for FY2026 and continues to set the tone for the year to come, as the duration and indirect impacts from the Middle East situation remain uncertain.

FY2026 was another good year for 3i with strong contributions from each of Action, the broader Private Equity portfolio and Infrastructure. The market environment remains complex with heightened geopolitical risk from the unresolved Middle East situation in particular. As a result, we expect to see an increase in inflation over the coming months. Action continues to differentiate itself from its competitors with its continued focus on quality at the lowest price, which has made it a consumer favourite across Europe. Its growth story is underpinned by the combination of a powerful, multi-year, store roll-out programme into significant white space potential and compounding in LFL sales growth, with some of the best store economics we have seen in a retail concept.

Across the rest of the portfolio we are also seeing some good momentum and, while we are cautious about the potential for an active M&A market, we will continue to focus on new investments where the balance of risk and return is in our favour.

The announcement of our buyback programme reinforces our consistent focus on optimising value creation. In addition, our focus on active asset management across the portfolio has served us well over many years and gives us confidence in our ability to continue to compound returns for 3i shareholders both this year and over the long term.

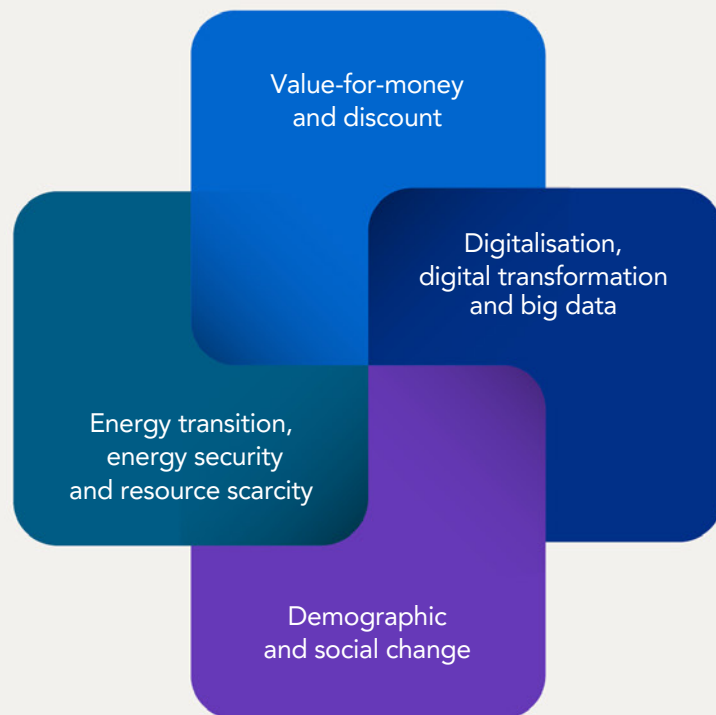
I would like to close by thanking the team at 3i and the teams in our portfolio companies for another year of strong performance.



Simon Borrows
Chief Executive
13 May 2026

Our thematic approach

We adopt a thematic approach to origination and portfolio construction, backing businesses that benefit from structural trends which can support long-term sustainable growth.



Value-for-money and discount

Over many years, we have seen a marked shift in customer preference towards value-oriented propositions, driven by a combination of economic, geopolitical and behavioural factors.

Ongoing macroeconomic pressures, including inflation, higher interest rates and subdued real wage growth, alongside heightened geopolitical uncertainty and supply chain disruption, have made consumers more value-conscious. At the same time, the continued expansion of discount retailers, able to offer quality essentials at competitive prices, has supported the rise of the 'smart shopper'. Together, these dynamics have underpinned a structural shift towards value-focused models.

In an environment of persistent uncertainty, consumers remain selective, prioritising quality and affordability, often at the expense of traditional brand loyalty.

We believe these behaviours, further embedded during the recent cost of living crisis and subsequent macroeconomic volatility, are likely to endure. This is consistent with consumer patterns observed during and immediately following the 2007-2008 financial crisis, when similar dynamics proved resilient over time.



Our thematic approach continued

Digitalisation, digital transformation and big data

Digital transformation uses data to drive innovation and efficiency, enhance decision-making, and support sustainable, long-term growth.

Technological advancement continues to reshape operating models across sectors. Digitalisation is now embedded in everyday life, extending across all aspects of economic and social interaction. Recent geopolitical developments and evolving regulatory frameworks, alongside increased focus on supply chain resilience and data sovereignty, have further increased the strategic importance of digital capabilities. At the same time, digital technologies remain closely linked to climate objectives, and are a precondition for many decarbonisation pathways.

The rapid advancement of AI is accelerating these trends, unlocking opportunities that were previously unavailable. However, the benefits of this transformation are not evenly distributed. Certain sectors remain exposed to disruption, while parts of society risk exclusion, underscoring the importance of resilient and inclusive digital strategies.



Demographic and social change

Ageing populations are projected to cause significant social change in our investment markets.

Rising life expectancy and declining birth rates across many of our core geographies are leading to older, and in some cases contracting, populations, alongside increasing generational imbalances. These structural, long-term dynamics are causing pressures on healthcare and pension systems, changes in labour markets and, in certain regions, on migration patterns. Together, these factors are reshaping consumer behaviour and preferences, while also prompting policy responses and increased research to address the challenges associated with greater longevity and the growing prevalence of age-related chronic conditions.



Energy transition, energy security and resource scarcity

The response to climate change and broader environmental challenges remains a defining theme of our time.

The transition towards a low-carbon economy is progressing, albeit unevenly across regions, influenced by shifting policy priorities, energy security considerations and evolving geopolitical dynamics, including recent developments in the Middle East. These factors continue to reinforce the focus on energy resilience, while continuing to drive demand for affordable, reliable and cleaner energy, alongside related infrastructure and services. At the same time, increasing resource scarcity and environmental pressures are prompting governments, businesses and consumers to accelerate the adoption of more sustainable consumption models. These approaches, which emphasise circularity and the more efficient use of shared resources, also offer the potential for meaningful cost efficiencies over the long term.



1 infinis and Future Biogas are 3iN assets

Our business model

We aim to compound value over time by investing in mid-market companies to create a diverse portfolio. Our proprietary capital allows us the flexibility to hold assets over a medium to long-term investment horizon, if required to maximise shareholder value.



Our investment approach

Careful portfolio construction

We approach portfolio construction with great care, with a focus on resilience across market cycles, and target sectors and regions where we have deep expertise, strong networks, and a proven track record. Our strategy remains flexible, adapting to market shifts, regulatory changes, and broader societal and environmental trends. We screen investment opportunities against our Responsible Investment policy and embed an assessment of sustainability risks and opportunities across our investment and portfolio management processes. Our Private Equity and Infrastructure teams invest in sectors that are supported by long-term structural growth trends.

Invest responsibly see pages 52-61

Active asset management

We engage with portfolio companies' management teams to manage risks and invest in initiatives that support long-term growth. We generally have majority stakes in our core portfolio companies and are represented on their boards. We therefore have the influence to drive long-term, sustainable growth in our portfolio.

For each investment within our Private Equity and Infrastructure portfolios, exit strategies are reviewed at regular intervals throughout our holding period. Potential exit routes may include a trade sale, IPO, or acquisition by another investment firm. The timing of any exit is determined by the company's performance against its original investment plan, its growth trajectory, and prevailing market conditions. For long-term holdings, the exit horizon may be extended to maximise value creation for our shareholders.

Our sectors

Private equity



Consumer & Private Label



Healthcare



Industrial



Services & Software

Infrastructure



Communications



Energy



Social Infrastructure



Transport & Logistics



Utilities

Our business model continued

Our growth enablers

Global network

We have had local teams on the ground in the UK, continental Europe and the US for many decades, which have built strong networks within their local business communities, and have enabled our origination, value creation and decision making.

Our people

The recruitment, development and retention of a capable team is fundamental to our success.

223

People globally

25

Nationalities

Our strong values and institutional culture

We promote a strong culture of integrity among our employees and embed that culture in our policies and processes.

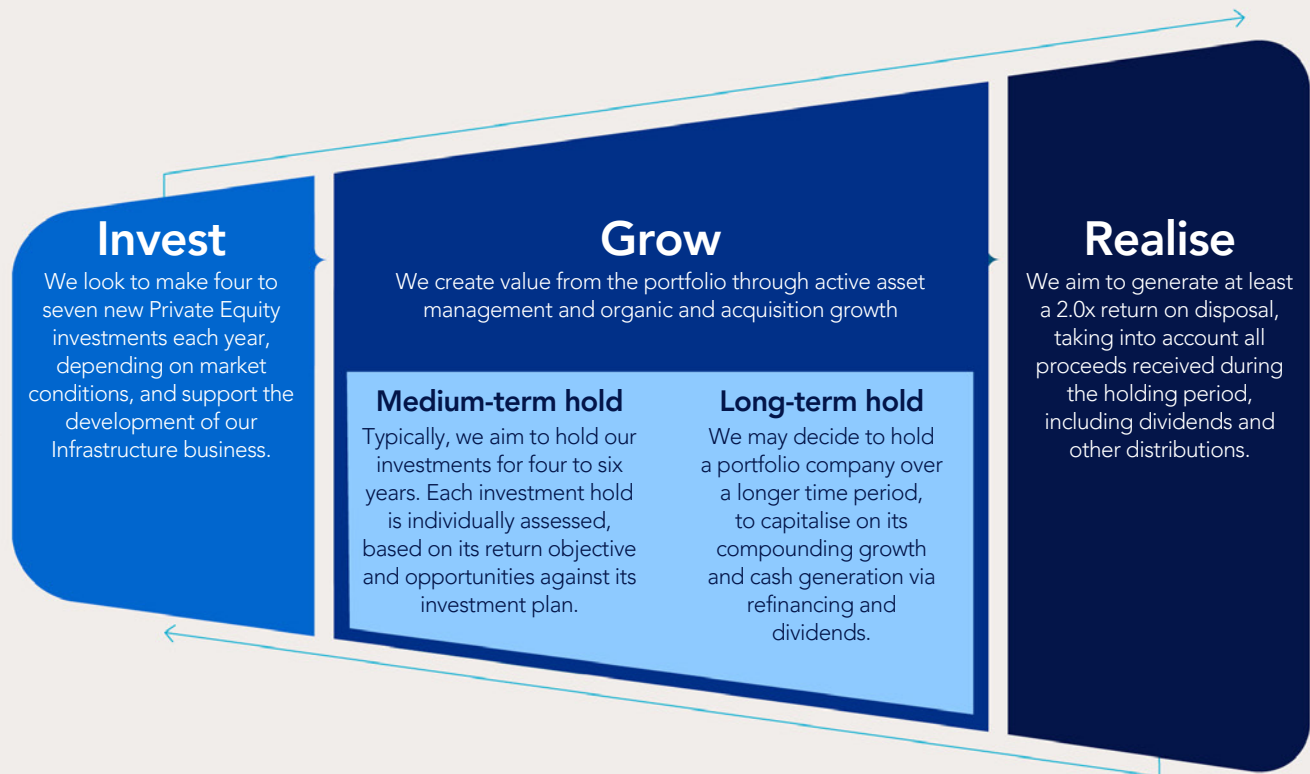
Our brand and reputation

As an investment company with a history of over 80-years, our brand strength and long-term approach underpin our reputation as a responsible investor and business.



[+ Read more success stories Online](#)

How we create value



Who benefits

Shareholders

Our model is capable of delivering mid-teen returns to shareholders through the investment cycle

Portfolio companies

We work in close partnership with our portfolio companies to provide expertise and support, enabling them to grow sustainably and to contribute positively to the communities in which they operate

3i and portfolio company employees

The people across 3i and our portfolio companies are our most important resource.

[> Our stakeholders see pages 118-121](#)

Strategic objectives

Key performance indicators^{1,2,3}



Grow investment portfolio earnings



Realise investments with good cash-to-cash returns



Maintain an operating cash profit

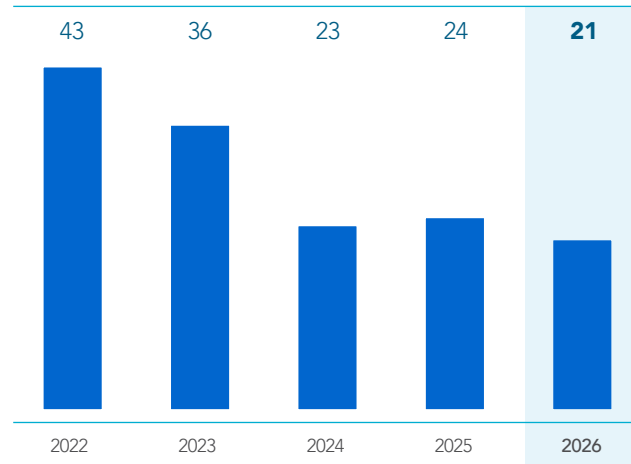


Use our strong balance sheet



Increase shareholder distributions

Gross investment return ("GIR") as % of opening portfolio value (%)



The performance of the proprietary investment portfolio expressed as a percentage of the opening portfolio value.

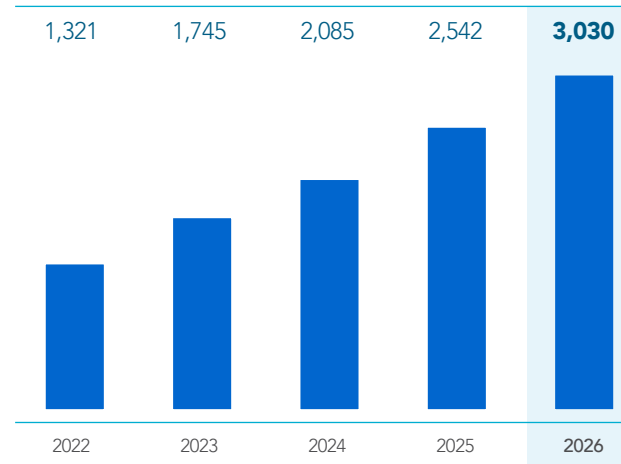
Link to strategic objectives



FY2026 progress and FY2027 outlook

- Group GIR of 21%, driven by £4,166 million of unrealised value growth, a foreign exchange gain of £809 million and £400 million of portfolio income
- Private Equity GIR of £5,303 million, or 23%, predominantly driven by Action's GIR of £4,510 million
- Infrastructure GIR of £106 million, or 7%, reflecting an increase in 3iN's share price, dividend income and performance across our Infrastructure funds
- Scandlines GIR of £55 million, or 10%, reflecting resilient performance in the year and cash distributions
- Our portfolios have shown good resilience at the start of FY2027

NAV per share (pence)



The measure of the fair value per share of our investments and other assets after the net cost of operating the business and dividends paid in the year.

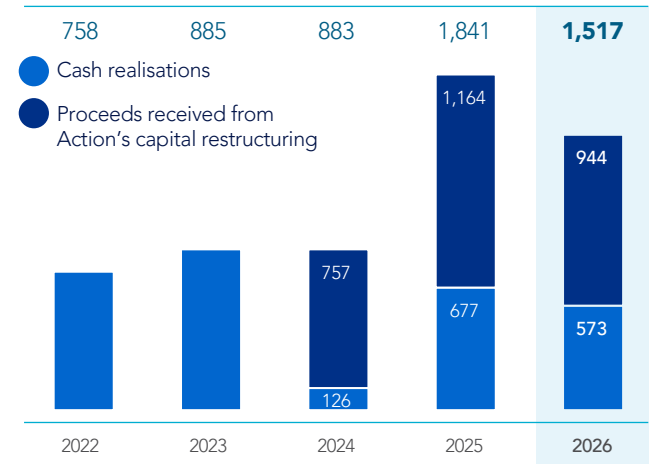
Link to strategic objectives



FY2026 progress and FY2027 outlook

- 19% increase in NAV per share to 3,030 pence (31 March 2025: 2,542 pence), after payment of 79 pence dividend per share in the year

Cash realisations⁴ (£m)



Cash realisations support our returns to shareholders, as well as our ability to invest in new opportunities.

Link to strategic objectives



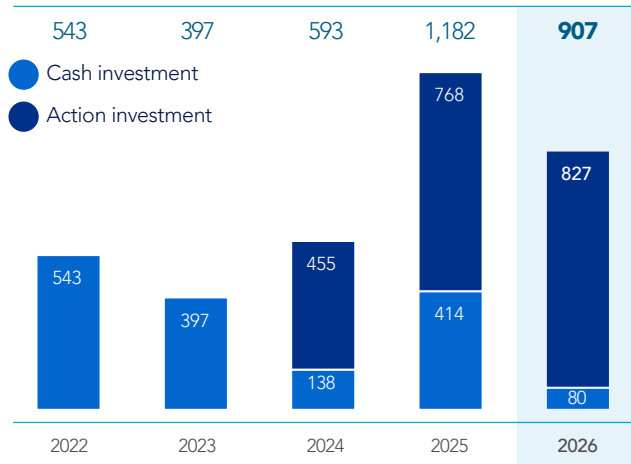
FY2026 progress and FY2027 outlook

- Cash proceeds of £1,517 million including £944 million of proceeds received from Action's capital restructuring and £529 million from the realisations of MPM and MAIT
- Realisations and refinancings in FY2027 are subject to supportive market conditions and to portfolio company performance remaining resilient

Strategic objectives continued

Key performance indicators continued

Cash investment⁵ (£m)



Identifying and investing in new and further investments is a key driver of the Group's ability to deliver attractive returns.

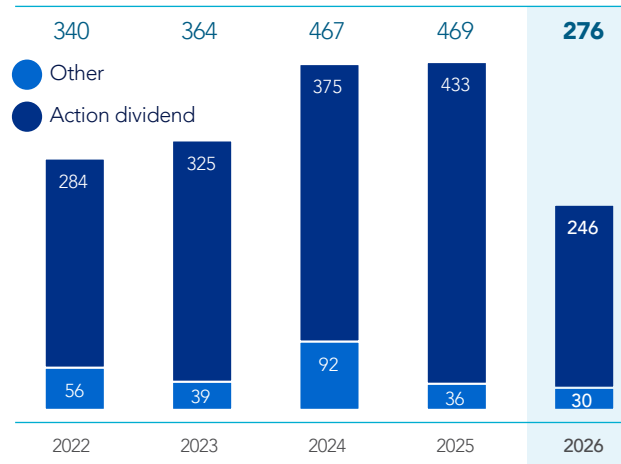
Link to strategic objectives



FY2026 progress and FY2027 outlook

- Invested £907 million, including the £827 million investment in Action and £56 million investment in Royal Sanders.
- Completed four bolt-on acquisitions for the Private Equity portfolio and three bolt-on acquisitions in US infrastructure
- Good pipeline of new investment opportunities and bolt-on acquisitions

Operating cash profit⁶ (£m)



By covering the cash operating cost of running our business with cash income, we reduce the potential dilution of capital returns.

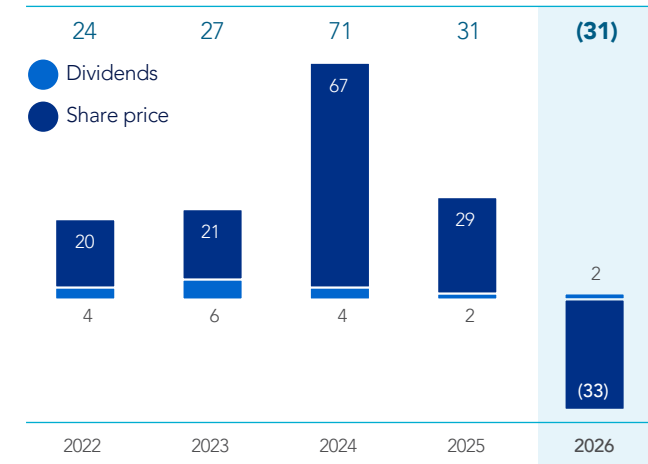
Link to strategic objectives



FY2026 progress and FY2027 outlook

- Generated total cash income of £421 million (2025: 598 million) of which £296 million (2025: £470 million) is from Private Equity, £104 million (2025: £106 million) from Infrastructure and £21 million from Scandlines (2025: £22 million). Private Equity includes £246 million of dividends from Action (2025: £433 million). The Action dividend is lower in the year due to timing, with an additional Action dividend expected to be received in May 2026 compared to March in the previous year
- Cash operating expenses of £145 million (2025: £129 million)
- Good cash income expected to continue from Action, Infrastructure and Scandlines

Total shareholder return ("TSR") (%)



The return to our shareholders through the movement of the share price and dividends paid during the year.

Link to strategic objectives



FY2026 progress and FY2027 outlook

- TSR of (31)% driven by a 33% decrease in the share price between 31 March 2025 and 31 March 2026, partially offset by dividend payments of 79.0 pence in the year
- The share price decline does not reflect the strong returns delivered during the year
- Strong balance sheet supports a total FY2026 dividend of 84.5 pence per share

1 A number of our KPIs are calculated using financial information which is not defined under IFRS and therefore they are classified as APMs. Further details on these APMs are included in our Financial review on page 93.
 2 Further information on how these KPIs are factored into decisions concerning the Executive Directors' remuneration is included in the Directors' remuneration report on page 146 to 169.
 3 Key risks which could potentially impact the respective KPIs can be found on pages 100 to 104, which summarise the Group's current principal risks.
 4 Realised proceeds may differ from cash proceeds due to the timing of cash receipts.
 5 Excludes the £1.7 billion further investment in Action for non-cash consideration of an equivalent value in the form of 3i Group shares.
 6 Cash operating expenses includes lease payments.

Business review

Private Equity	25
Infrastructure	43
Scandlines	48



Private Equity

Performance overview

Gross investment return

£5,303m
or 23%

(2025: £5,113m or 26%)

Investment

£2,642m

(2025: £1,177m)

Realised proceeds

£1,502m

(2025: £1,827m)

Portfolio dividend income

£281m

(2025: £450m)

Percentage of portfolio by value growing earnings

96%¹

(2025: 97%)

Portfolio value

£29,707m

(2025: £23,558m)

We invest our proprietary capital in mid-market businesses headquartered in Europe and North America. Once invested, we work closely with our portfolio companies to deliver growth plans and aim to compound value from our best investments over the longer term.

Against ongoing geopolitical uncertainty, and a subdued macroeconomic backdrop across Europe and North America, our Private Equity portfolio delivered a GIR of £5,303 million, or 23%, on the opening portfolio value (2025: £5,113 million or 26%) in the year to 31 March 2026. This return included an £806 million foreign exchange translation gain, net of a loss from foreign exchange hedging.

Action remains the standout Private Equity performer, delivering another strong year, generating a GIR of £4,510 million, or 25% of its opening value. During the year, we increased our stake in Action, for cash and non-cash consideration. We also received significant proceeds from Action following another successful refinancing event. Royal Sanders delivered a further year of strong organic growth and continued its buy-and-build momentum, resulting in a significant contribution to our Private Equity return. We also invested additional capital into the business.

The broader portfolio saw important contributions from our other consumer and private label assets, which continue to demonstrate good momentum. Our healthcare portfolio delivered a largely positive performance, albeit the return was impacted by a significant product transition in its largest asset, while our industrial assets continued to generate cash dividends. Our services and software assets remained resilient despite wider market pressures, including the advancement of AI.

Table 1:

Gross investment return for the year to 31 March

Investment basis	2026 £m	2025 £m
Realised profits over value on the disposal of investments	89	50
Unrealised profits on the revaluation of investments	4,080	4,803
Dividends	281	450
Interest and fee income from investments	47	83
Foreign exchange on investments	811	(340)
Movement in fair value of derivatives	(5)	67
Gross investment return	5,303	5,113
Gross investment return as a % of opening portfolio value	23%	26%

Investment activity in FY2026 was focused on further investment across the existing portfolio, alongside enhancing value through four bolt-on acquisitions. In addition to proceeds received from Action, we completed two portfolio company realisations, each achieving money multiples above our return target of 2x.

¹ LTM adjusted earnings to 31 December 2025, includes 27 portfolio companies.

Private Equity continued Long-term hold portfolio companies

IN FOCUS:
ACTION



ACTION

A long-term compounder

Action, one of the largest non-food discount retailers in Europe, now operates more than 3,300 stores across 15 countries. In 2025, the company welcomed an average of 21.6 million visitors per week, a new record for the business, and generated net sales of €16 billion.

Private Equity continued Long-term hold portfolio companies continued

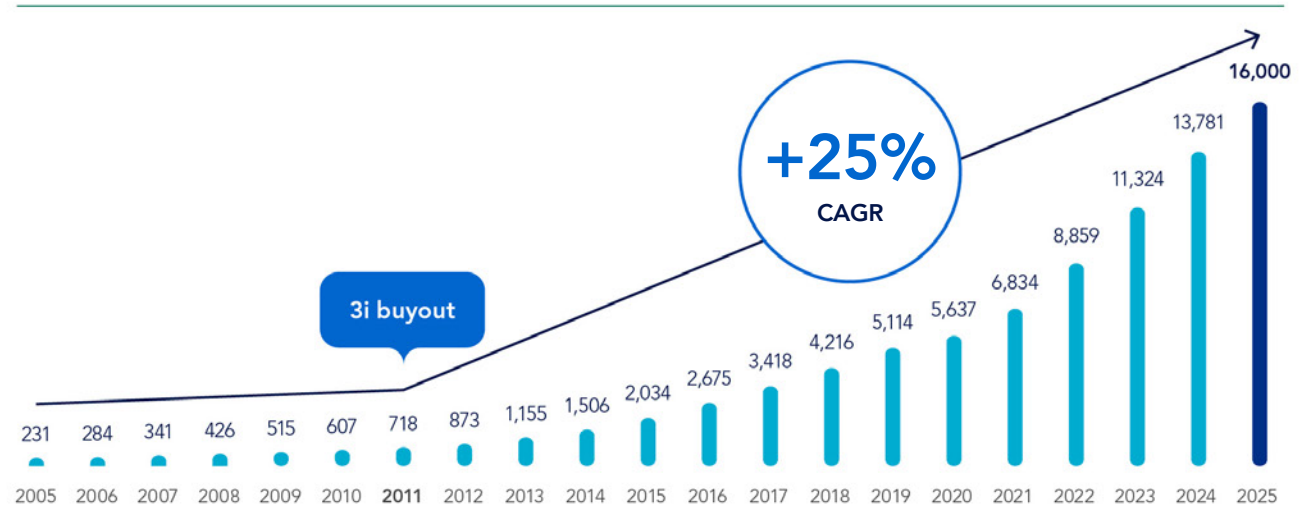
Action's unique customer proposition

Action's winning formula of good-quality products at the lowest prices continues to resonate strongly with customers and, in 2025, Action saw a record average number of weekly store visits from its customers. Underpinning this customer proposition are the economies of scale Action achieves, enabling the company to pass these benefits back to customers in the form of consistently lower prices. Approximately two thirds of its products are retailed at a price point of less than €2.

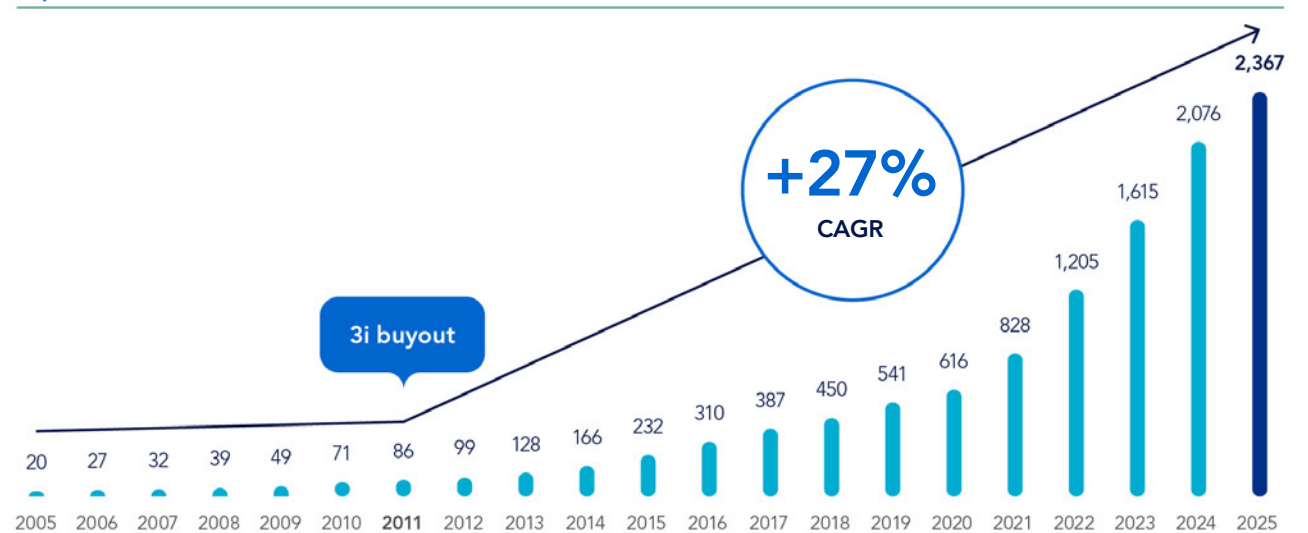
21.6m

Average number of customers visiting Action stores weekly

Net sales¹ (€m)



Operating EBITDA¹ (€m)



¹ Source: Company information. Includes the impact of 53rd week in 2015 and 2020.

Private Equity continued

Long-term hold portfolio companies continued

Good-quality affordable products

Action offers over 6,000 products across 14 categories. One third of this assortment typically comprises everyday essentials and two thirds a variable selection that reflects customer preferences and seasonal trends. Across its product range, Action continued to receive multiple awards in 2025, demonstrating the quality and value of its offering.

>6,000
products

14
categories



Decoration



Do-it-Yourself (DIY)



Clothing



Personal care



Linen



Health



Food & Drink



Garden & Outdoor



Household goods



Pets



Multimedia



Stationery & Hobby



Laundry & Cleaning



Toys & Entertainment



Private Equity continued

Long-term hold portfolio companies continued

Action valuation

Action run-rate earnings

At 31 March 2026, Action was valued using its LTM run-rate EBITDA to the end of P3 2026 of €2,653 million¹, which includes the usual adjustment to reflect stores opened in the last 12 months. Since 2013, we have included a run-rate adjustment in the calculation of Action's valuation earnings. This adjustment is to ensure we reflect the full-year profitability for each new store opened in the year. Action's performance and growth since the inclusion of this adjustment continues to validate this rationale. We apply our valuation multiple to LTM run-rate EBITDA.

Action valuation multiple

We continue to compare Action's performance and KPIs against a peer group of North American and European value-for-money retailers. Action's performance and KPIs in 2025, which capture the softer LFL sales growth in France, continues to compare favourably with its peers. This supports our post-discount valuation multiple of 18.5x, which is unchanged from the prior year. Action's continued growth meant that its valuation at 31 March 2025 translated to 16.2x (post-discount) the run-rate EBITDA achieved one year later. Based on the valuation at 31 March 2026, a 1.0x movement in Action's post-discount multiple would increase or decrease the valuation of 3i's investment by £1.5 billion.

Action net debt

Action ended P3 2026 with cash of €751 million, net debt of €7,461 million and a net debt to run-rate EBITDA ratio of 2.8x, after paying a dividend distribution in FY2026, of which 3i received £246 million.

Action valuation

At 31 March 2026, the valuation of our 65.4% stake in Action was £23,743 million (31 March 2025: 57.9%, £17,831 million) and we recognised unrealised profits of £3,544 million (March 2025: £4,324 million) from Action.

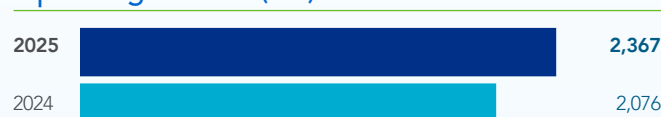
Action financial metrics

Last 12 periods to P12

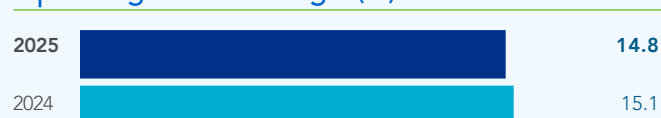
Net sales (€m)



Operating EBITDA (€m)



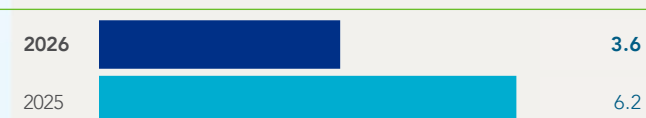
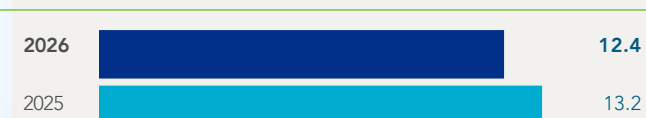
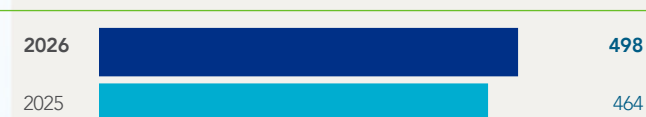
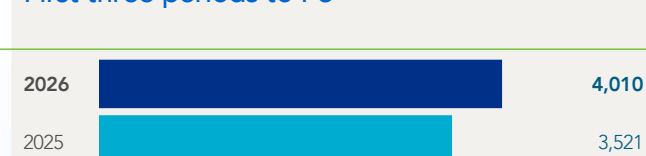
Operating EBITDA margin (%)



LFL sales growth (%)



First three periods to P3



¹ Includes a normalised one-off expense of €26 million, related principally to a payment to eligible Action employees in June 2025 to mark Action's 3,000th store opening.

Private Equity continued Long-term hold portfolio companies continued

Investment in future growth

In 2025, Action added a record 384 stores, averaging more than one new store opening per day. For the first time in the company's history, Action entered two new countries within a single year, Switzerland and Romania, ending 2025 with eight stores in Switzerland and six stores in Romania. Entering Switzerland marked Action's first expansion outside the European Union. By the end of the year, both Switzerland and Romania were delivering impressive early results.

Action's international expansion

Action ended 2025 with 3,302 stores across Europe, having surpassed the milestone of 3,000 stores in June 2025. At the start of March 2026, Action entered its fifteenth country, Croatia, with two new stores. Action continues to see significant further growth opportunities across Europe, with an estimated white space potential of approximately 4,650 stores. Action expects to enter its sixteenth country, Slovenia, by the end of 2026, followed by Bulgaria in 2027.

Following an in-depth market study, Action announced a strategic decision to enter the US in late 2027 or early 2028.

Key to Action's expansion is the development of its distribution network. In 2025, Action opened three new distribution centres ("DCs") in Wallersdorf (Germany), Dunikowo (Poland) and Novara (Italy), and one new hub in Tilburg (Netherlands). In total, Action now operates 18 DCs and four hubs across Europe, ensuring its stores remain well stocked. Action plans to open three further DCs in 2026 in France, Italy and Spain, to facilitate its further store growth.



+384

Net new stores in 2025

+3

New distribution centres in 2025

Number of stores

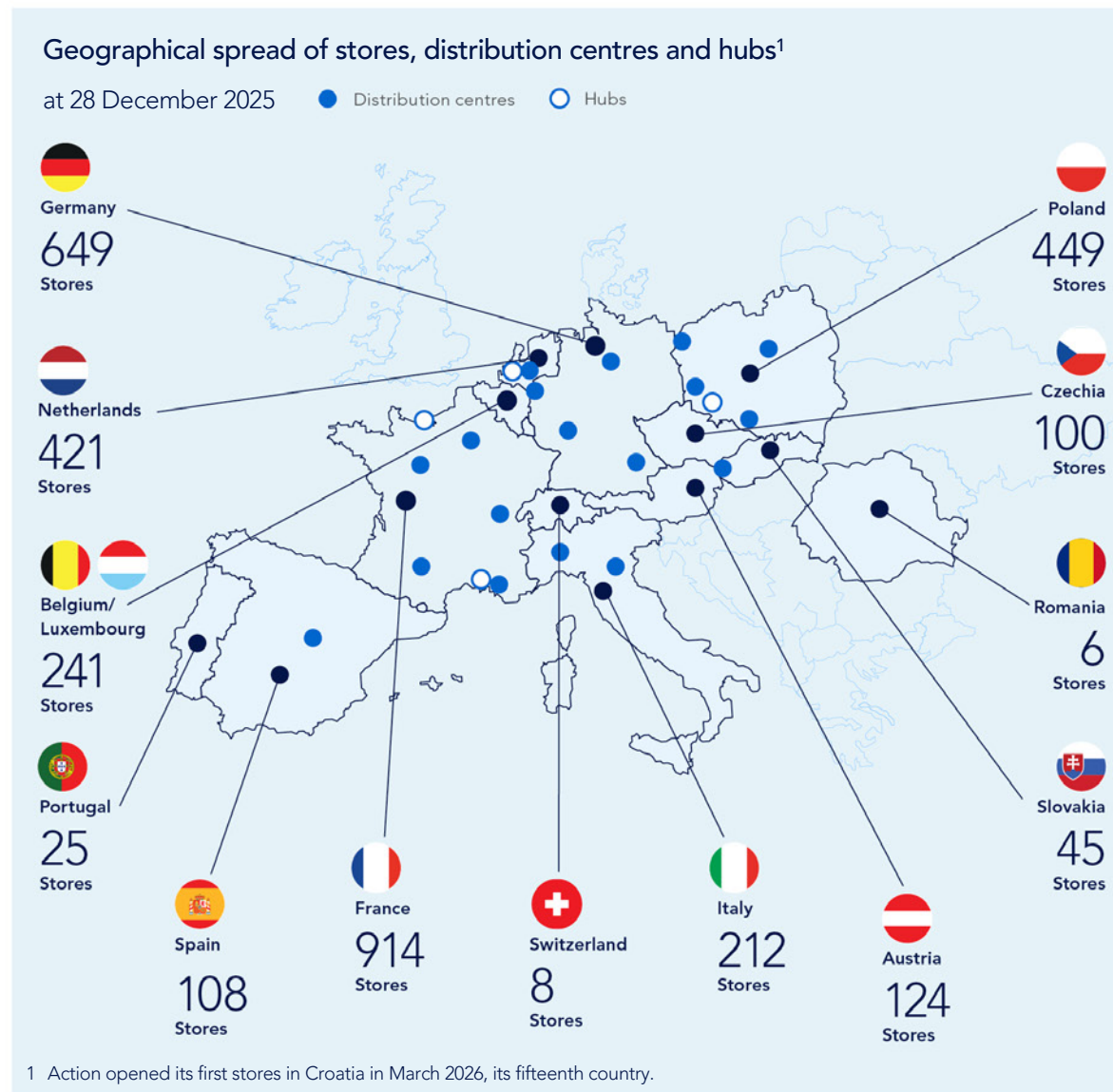


Number of DCs



Private Equity continued

Long-term hold portfolio companies continued



Growing employee base

At the end of 2025, Action employed 84,246 employees in its stores, distribution centres and offices. The business created 4,565 jobs in 2025, and continues to invest in the ongoing development and engagement of its employees, with over 3,705 internal promotions and over 350,000 training hours delivered across its workforce in 2025.

84,246
employees

>350,000
training hours



Private Equity continued Long-term hold portfolio companies continued

Action Sustainability Programme

Action is committed to acting responsibly, with respect for people and the environment, and to making sustainability accessible for its customers. Built on four pillars, Planet, Product, People and Partnerships, the Action Sustainability Programme is core to the company strategy and considerable progress was made in each area during 2025.

Corporate Sustainability Reporting Directive (CSRD)

Action has been preparing for compliance with the CSRD, which will apply from the 2027 reporting year. In 2025, the company updated its double materiality assessment, identifying ten material sustainability topics.



Planet

Action is committed to reducing its impact on the climate and protecting the environment. As part of this commitment, Action is taking steps to reduce greenhouse gas emissions across its value chain. Its near-term emissions reduction targets were validated by the Science Based Targets initiative ("SBTi") in 2025.

Since 2021, Action has reduced its Scope 1 and 2 (market-based) emissions by 56%, by moving stores away from gas, sourcing 90% renewable electricity and upgrading its fleet of trucks in the Netherlands to run on HVO 100 biofuel. Last year, Action increased its ambition to a 75% overall Scope 1 and 2 reduction by 2030 (from the 2021 baseline), up from the initial target of 60%.

Action's Scope 3 emissions relate to the manufacturing, transportation and customer use of products, and waste disposal. To address these emissions, Action is working with its suppliers to set their own near-term emissions targets and, at the end of 2025, 15% of in-scope suppliers had achieved this. Action's objective is for suppliers representing 80% of Scope 3 emissions to have validated science-based targets by 2029. To address the environmental impact of shipping products from Asia to Europe, in 2025 Action used certified biofuels to cover 50% of containers for their direct sourcing.

-56%
reduction of its Scope 1 and 2 (market-based) emissions from 2021 baseline year



Private Equity continued

Long-term hold portfolio companies continued

Product

Action aims to invest in the quality and sustainability of its products and to make its value chain more transparent to uphold its ethical sourcing standards, buying only from suppliers who respect human and labour rights. As at end of 2025, more than 99% of all cotton, cocoa, timber, coffee and palm oil used in Action's private and white label products¹ was certified as sustainable through industry-recognised certifications such as Rainforest Alliance (RFA), Fairtrade International and Forest Stewardship Council® (FSC®), among others. In 2025, Action phased out the use of hard-to-recycle PVC and black plastics used in its packaging for private and white label products and is working with suppliers to ensure compliance with the EU's future packaging regulation. By the end of 2025, in-scope² plastic products contained 37% recycled material, ahead of its target of 35% by 2025. From 2026, Action plans that all the recycled plastic used in its private and directly sourced import products will be independently certified under the Global Recycled Standard or Recycled Claim Standard labels.

- 1 A-brand products are outside of scope due to high sustainability standards implemented by well-known international brand owners themselves.
- 2 Covers all non-food-related direct sourcing and private label products (excluding those for which legal restrictions apply, e.g., toys) and products with significant plastic volumes based on weight.

Action's supply chain involves a significant number of wholesalers, factory workers, farmers, producers, agents and importers. To help protect the rights of workers, Action needs to know where its products are made and by whom. To achieve this, Action aims to have full value chain transparency for private and white label products by 2030 at the latest. By the end of 2025, Action had mapped 97% of factories handling the final stage of production, a total of more than 3,900 factories worldwide. Action plans to further extend this transparency to factories involved in earlier stages of production.

Action sets standards for its suppliers in its Ethical Sourcing Policy, which is based on UN principles and international labour standards. To ensure its standards were met, in 2025, Action carried out 2,739 assessments, including both social audits and spot checks. That covered over 96% of the factories Action works with within risk countries, and the goal is to increase this figure to 100% in 2026.



97%

of factories handling the final stage of production mapped

99%+

of all cotton, cocoa, timber, coffee and palm oil used in Action's private and white-label products certified as sustainable

People

Action offers stable employment to a fast-growing number of people. The company invests in training and development, resulting in the promotion of 3,705 colleagues in 2025, and achieving its target of at least one promotion per store. Every two years, it measures employee engagement through a company-wide survey, the Voice of Action. Every employee is given 30 minutes of paid time and a secure platform to complete the anonymous survey, which had a response rate of over 90% in 2025. During the year, Action also launched an awareness campaign for its Alert Line, which allows its employees, customers, contractors and others doing business with Action, to report incidents anonymously, 24/7 in their own language.



Partnerships

In 2025, Action became the first international retailer to commit to a special Fairtrade Living Income Cocoa Fund. The fund supports three cocoa cooperatives in Ivory Coast, helping farmers move towards earning a living income. The fund can be used for improving farming techniques or providing education opportunities for local children, supporting more sustainable livelihoods in cocoa-growing communities.

Private Equity continued
Long-term hold portfolio companies continued



Building better businesses

Royal Sanders, our second long-term hold asset, is a leading European private label and contract manufacturing producer of personal care products.

IN FOCUS:
ROYAL
SANDERS

Private Equity continued Long-term hold portfolio companies continued



£1,228m

3i value at March 2026

Strong business progression since our initial investment in 2018

Since our initial investment Royal Sanders has grown its production facilities from a footprint of two to seven sites, operating across the Netherlands, Germany, Belgium and the UK. The business focuses on 10 major consumer product categories including hair care, body care, face care and bath, showers and handwash, and has expanded its brand portfolio from six to 14.

We have supported Royal Sanders' international expansion, both organically and through entry into new markets. The business has now completed nine bolt-on acquisitions¹ since we first invested and has identified several further buy-and-build opportunities. Across this period of time, Royal Sanders has grown revenues by 5x to c.€700 million, and the business remains highly cash generative, returning distributions to 3i in excess of the initial investment in 2018.

Royal Sanders bolt-on activity in FY2026

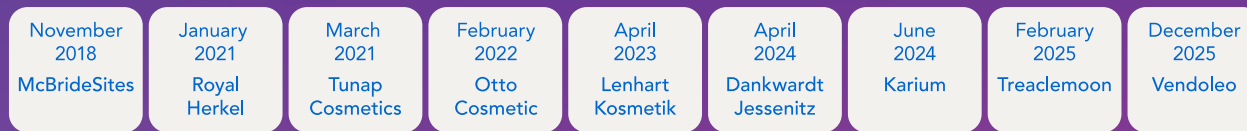
Royal Sanders completed the self-funded acquisition of Vendoleo in FY2026, marking its ninth acquisition under our ownership. Vendoleo is the branded provider of the well-established value-for-money bath and shower brands Treaclemoon and Oriniq in Germany and Austria. Royal Sanders already owned and produced the Treaclemoon brand in all other regions, following its previous bolt-on acquisition in February 2025.

Royal Sanders performance and valuation

Royal Sanders was the largest contributor to Private Equity performance growth in FY2026 (excluding Action), generating value growth of £272 million. The business delivered strong organic growth across its key customers in 2025. All prior bolt-on acquisitions continue to be value-accretive and are outperforming their respective investment cases.



Acquisitions



2018

2025

¹ Includes asset deals.

Private Equity continued Investment and realisation activity

Long-term hold portfolio companies

We allocated £2.6 billion of capital to invest into **Action**, consisting of non-cash consideration of £1.7 billion and £827 million of cash investment.

In September 2025 and January 2026, we acquired approximately 5.1% of Action's equity from GIC in exchange for the issuance of 51 million new ordinary shares in 3i Group plc. These transactions represented an equivalent non-cash consideration of £1.7 billion.

In October 2025, Action raised €1.6 billion of total incremental term loan debt across the US and European loan markets. Using the net proceeds from this debt raise alongside some of its cash, Action subsequently completed a €1.74 billion capital restructuring with a pro-rata redemption of shares, resulting in a distribution of £944 million of gross proceeds to 3i. Alongside a number of existing LPs in the 2020 Co-Investment Programme, 3i took the opportunity to acquire further shares in Action, reinvesting £755 million.

In addition, we took the opportunity to acquire additional stakes in Action investing a further £72 million during the year.

As a result of these transactions, in FY2026 we increased our equity stake in Action by 7.5% from 57.9% to 65.4%.

Following these transactions, our aggregate cost in Action has increased as a percentage of our total published investment portfolio value, reducing the available headroom under our existing investment policy limit for exposure to a single asset. In March 2026, the Board agreed to seek shareholder approval at the 2026 AGM to increase this limit, providing greater flexibility to support future investment decisions.

In December 2025, we completed a further investment of £56 million in **Royal Sanders**.

1 Action equity acquired in exchange for 3i Group plc shares.

2 Capital proceeds realised in the year less opening value, net of accrued interest.

Private Equity portfolio

Across the remaining portfolio, we invested a further £37 million in **ten23 health**, as we continue to develop the contract development and manufacturing organisation ("CDMO") platform, and provided £6 million of capital to support **Wilson** through challenging trading conditions. **OMS** returned £32 million of funding within 12 months of our 2025 investment, including £1 million received as cash income.

Buy-and-build remains a key lever in executing the investment case across many of our portfolio companies. In FY2026, our portfolio companies completed four self-funded bolt-on acquisitions.

We completed two realisations in FY2026. In September 2025, we completed the sale of **MPM**, generating proceeds of £395 million, of which £13 million was interest income, achieving a profit of £54 million over its 31 March 2025 valuation. In November 2025, we completed the sale of **MAIT**, generating proceeds of £147 million and achieving a profit of £31 million over its 31 March 2025 valuation. Further details on both realisations can be found on pages 37 and 38.

Across the remainder of the portfolio, we received proceeds of £20 million from **Yanga** following a refinancing and £8 million of deferred consideration from **WP**.

In total, in the year to 31 March 2026, we invested £2,642 million (2025: £1,177 million) in the Private Equity portfolio and generated total proceeds of £1,502 million (2025: £1,827 million).

Investments and realisations

	Proprietary capital investment £m	
Investments		
Further investments		
Action		
Cash consideration		827
Non-cash consideration ¹		1,739
Royal Sanders		56
ten23 health		37
Other		14
Private Equity gross investment		2,673
Return of investment		
OMS Prüfservice		(31)
Private Equity net investment		2,642
	3i realised proceeds	Profit in the year²
	£m	£m
Realisations		
Full realisations		
MPM	382	54
MAIT	147	31
Total realisations	529	85
Capital restructuring & refinancing		
Action	944	–
Yanga	20	–
Total recapitalisation proceeds	964	–
Deferred consideration and other proceeds	9	4
Total Private Equity realisations	1,502	89

Private Equity continued Investment and realisation activity continued

IN FOCUS:
MAIT

£147m

Total gross proceeds to 3i

2.8x

Sterling money multiple
(total cash return over cost)

MAIT is a leading provider of innovative and pioneering digital solutions in the DACH region. Headquartered in Rottweil, Germany, the company provides digitalisation solutions across Product Lifecycle Management, Enterprise Resource Planning and IT Services, supporting mid-market customers, with a particular emphasis on the manufacturing sector.

We invested £53 million in MAIT in 2021 to support the business through its next phase of growth and to capitalise on strategic M&A opportunities in a highly fragmented market. During our ownership, MAIT expanded its international presence through 14 bolt-on acquisitions, more than doubled its EBITDA and significantly increased the proportion of recurring revenues.

In November 2025, we completed the sale of MAIT, generating proceeds of £147 million. This represented an uplift¹ of 34% on MAIT's 31 March 2025 valuation, a 2.8x money multiple and a 28% IRR.

¹ £31 million of realised profit recognised in the year.

Private Equity continued Investment and realisation activity continued

MPM is an international leader in branded, premium, natural pet food. Headquartered in Manchester, UK, the business owns leading brands including Applaws, Reveal and Encore, and differentiates itself through high-quality, human-grade products, natural clean-label ingredients and its cat first proposition.

In 2020, we invested £124 million in MPM, with a view to accelerating its international expansion. Under 3i's ownership, MPM transitioned from a scaling mid-market pet food player to a global, market-leading premium natural cat food business, more than doubling revenue and EBITDA. We supported MPM's expansion in the US, broadened its omnichannel and online footprint, and invested significantly in both people and the brand.

In September 2025, we completed the sale of MPM, generating proceeds of £395 million, including £13 million of interest income. This represents an 18% uplift¹ on MPM's 31 March 2025 valuation, a 3.2x money multiple and a 28% IRR.

IN FOCUS:
MPM

£395m

Total gross proceeds to 3i

3.2x

Sterling money multiple
(total cash return over cost)



¹ £54 million of realised profit recognised in the year.

Private Equity continued

Private Equity performance

Private Equity performance

In FY2026, the Private Equity portfolio generated unrealised profits of £4,080 million (2025: £4,803 million). An overview of the key drivers of value movement for our long-term hold assets and selected other portfolio companies is presented in Chart 1, while Table 2 disaggregates unrealised profits by valuation methodology. The performance of Action and Royal Sanders is discussed in detail on pages 26 to 35. The following section outlines the performance of the remainder of the portfolio.

Chart 1:

Largest value growth increases and decreases (>£20m)¹

Portfolio company	Value growth ² £m	Value at 31 March 2026 £m	Driver of value increase
Action	3,544	23,743	
Royal Sanders	272	1,228	
Audley Travel	149	425	
Luqom	35	276	
Basic-Fit	34	97	
ten23 health	34	315	
AES	24	443	
OMS Prüfservice	20	91	
Cirtec Medical	(27)	573	
Wilson	(40)	4	

● Performance
 ● Multiple
 ● Other

1 One portfolio company has been excluded for commercial sensitivity.
 2 Excludes foreign exchange.

Consumer and private label portfolio companies

Audley Travel delivered another strong year-on-year bookings performance across both the UK and the US in 2025, although US demand softened slightly in the second half of the year due to geopolitical events. The business is continuing to invest in new technology to enhance the customer experience, positioning itself for future growth. Trading since the start of 2026 has been mixed, with recent developments in the Middle East weighing on UK travel sentiment after a good start to the year. **Luqom** saw strong trading momentum through 2025, and generated record revenue. This is an impressive result as Luqom has continued to gain market share in a largely flat online lighting market. The business is also benefiting from its AI-driven product development, which identifies customer preferences and enables the creation of differentiated products that strengthen its competitive position.

European Bakery Group delivered a resilient outcome, despite pressure from higher personnel, logistics and ingredient costs. In March 2026, the Group acquired a significant production site in Germany from STK, broadening its production capabilities and customer base. This represents the fifth acquisition since 3i's investment. Throughout 2025, **BoConcept** continued to optimise its franchise network and pull back from difficult markets. While this has weighed on overall volumes in the short term, its better performing stores across Japan and Southern Europe are seeing good momentum.

Mepal delivered good top-line growth across its key customers, with particularly strong increases from its e-commerce partners and major offline retailers. **Konges Sløjd** saw good sales performance from its biggest retail partners in 2025, and continued to gain traction internationally, especially in the US. A year since our initial investment, **WaterWipes** saw stable trading, with good growth in the UK and Europe, offsetting a challenging US market.

Healthcare portfolio companies

Our largest healthcare portfolio company, **Cirtec Medical**, saw good traction across its latest implantable and interventional programmes, helping to balance the planned transition of one of its older product lines to the next generation of the device. The transition creates a short-term dip in performance, but it positions the business for stronger growth as the next generation of programmes scales. To reflect the near-term impact, we took a modest reduction in Cirtec's valuation at 31 March 2026.

The single-use bio-processing market recovered well through 2025, and **SaniSure's** business strengthened in line with this trend, with growing demand from major biopharmaceutical customers, who are increasingly choosing SaniSure's solutions for critical manufacturing steps. The company has a strong and high-quality pipeline, supported by the continued success of its new mixing and filling products.

Since our initial investment in 2021, we have supported the **ten23 health** platform development through innovation, a targeted buy-and-build strategy, and operational scaling, solidifying its position in the high-value biologics drug product CDMO space. The business continued to make positive progress in 2025. Its development services laboratory in Basel saw significantly increased bookings and growing engagement from major global pharmaceutical companies, while demand materially exceeded available capacity on its existing Visp fill-finish line. Additional capacity is expected to come online with the delivery of the two commercial scale, high-volume lines in Visp, which are expected to become operational in 2027.

The vascular division of Q Medical Devices (**Q Holding**) showed good momentum, while Degania also saw growth from new launches.

Private Equity continued

Private Equity performance continued

Industrial portfolio companies

Tato and AES continue to demonstrate resilience and generate strong annual cash yields.

Tato delivered steady results in 2025, despite tough end markets. After a good start to the year, volumes softened as demand weakened, leading to lower selling prices from Q2 2025 onwards. Geographically, the company saw good growth in China, India and Mexico, with Brazil also modestly ahead, while the US underperformed expectations and Europe was broadly flat. In FY2026, we received £17 million of dividends from Tato.

AES maintained a steady performance in 2025, with good order volume growth, as demand remained resilient across its key end markets, particularly in energy and industrials. The business also strengthened its manufacturing capacity, with a significant upgrade to a UK factory, while also investing in robotics and automation, positioning it well for future growth. In FY2026, we received £10 million of dividends from AES.

Against a weak US industrial market, **Dynatect** performed resiliently in 2025.

Services & Software portfolio companies

Evernex and **OMS Prüfservice** were the standout performers in this sector.

After a slow start to 2025, Evernex’s commercial momentum picked up strongly through the remainder of the year, helped by solid renewal rates and new customer wins. The recent acquisitions of Sunrise Technologies in Morocco and Comptest in Poland strengthen its local presence and capabilities, and add to its broader buy-and-build strategy. Evernex has now completed nine acquisitions since our initial investment in 2019. OMS Prüfservice delivered strong growth in 2025, supported by rising demand for its Portable Appliance Testing and Installation & Machinery services. The business has largely outperformed the wider market since our acquisition in early 2025.

The broader software market has seen a significant derating, reflecting concerns on how AI could disrupt existing software tools. Our exposure to the software market is limited, at less than 1% of portfolio value, and mainly consists of **xSuite**, whose Accounts Payable invoice automation offering is currently relatively well protected against AI disruption. The business continued to make good progress in transitioning its revenue to subscriptions in 2025 and has started 2026 well. We have however, reflected the wider software sector derating in our valuation multiple for xSuite at 31 March 2026.

Over the last two and half years **Wilson** has operated through a very challenging recruitment market. We have reflected the impact of this on Wilson’s performance through our valuation at 31 March 2026.

Table 2

Unrealised profits on the revaluation of Private Equity investments¹ in the year to 31 March

	2026 £m	2025 £m
Earnings based valuations		
Action performance	3,544	4,324
Performance increases (excluding Action)	628	642
Performance decreases (excluding Action)	(76)	(138)
Multiple increases	9	30
Multiple decreases	(49)	(30)
Other bases		
Discounted cash flow	—	(19)
Other movements on unquoted investments	(10)	—
Quoted portfolio	34	(6)
Total	4,080	4,803

¹ Further information on our valuation methodology, including definitions and rationale, is included in the portfolio valuation – an explanation section.

Overall Private Equity performance

Overall, 96% of the portfolio by value grew LTM adjusted earnings in the year (31 March 2025: 97%). Chart 2 on page 41 shows the earnings growth of our top 20 Private Equity investments.

Excluding Action, the Private Equity portfolio valued on an earnings basis generated £628 million (2025: £642 million) of value growth from performance increases, offsetting £76 million from performance decreases (2025: £138 million).

Private Equity continued

Private Equity performance continued

Multiple movements

When selecting multiples to value our portfolio companies, we take a long-term, through-the-cycle approach and consider a number of factors including recent performance, outlook and bolt-on activity, comparable recent market transactions and exit plans, and the performance of quoted comparable companies. At each reporting date, our valuation multiples are considered as part of a robust valuation process which includes independent challenge throughout, including from our external auditor, culminating in the quarterly Valuations Committee of the Board.

Since the start of our financial year in April 2025, global markets have experienced heightened volatility, reflecting ongoing geopolitical tensions, evolving trade policies, uncertainty around monetary policy, and the continued pace of technological disruption driven by accelerated AI adoption.

Against this backdrop, we have remained cautious in considering the valuation multiples we use for our portfolio companies. We increased the multiple for one of our portfolio companies in the year to reflect the good performance since acquisition, as well as market sentiment.

We adjusted multiples downwards across six assets, reflecting headwinds in their end-markets and, in some cases, wider market sector deratings. In total, we recognised a net £40 million unrealised value reduction from multiple movements in the year (March 2025: net nil movement). At 31 March 2026, our current weighted average post-discount multiple (excluding Action) was 13.0x (31 March 2025: 13.4x).

Leverage

Our Private Equity portfolio is funded with all-senior debt structures, with long-dated maturity profiles. As at 31 March 2026, 95% of portfolio company debt was repayable from 2028 to 2032.

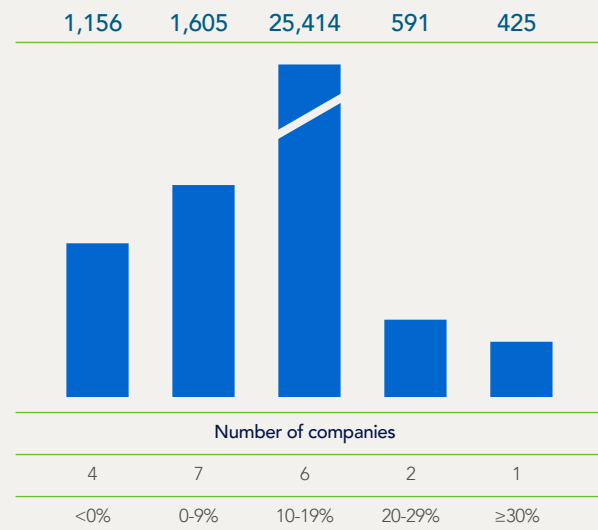
Average leverage across the portfolio was 2.9x (31 March 2025: 2.9x). Excluding Action, leverage across the portfolio was 3.2x (31 March 2025: 3.5x).

Chart 3 shows the ratio of net debt to adjusted earnings by portfolio value.

Chart 2

Portfolio earnings growth of the top 20 Private Equity¹ investments

3i value at 31 March 2026 (£m)

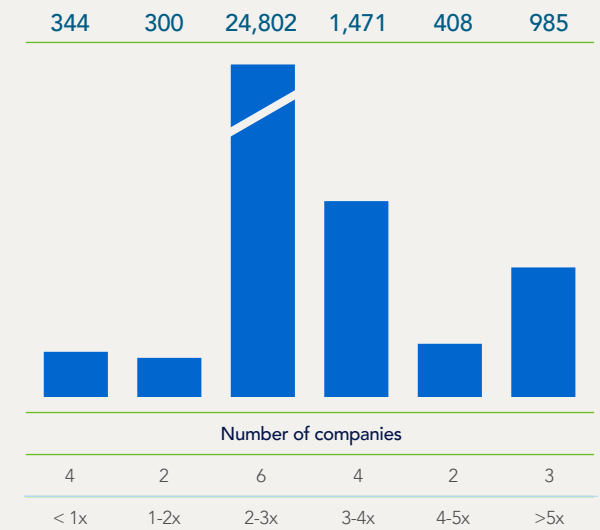


1 Includes top 20 Private Equity companies by value excluding ten23 health. This represents 98% of the Private Equity portfolio by value (31 March 2025: 97%). Last 12 months' adjusted earnings to 31 December 2025 and Action based on LTM run-rate earnings to the end of P3 2026.

Chart 3

Ratio of net debt to adjusted earnings²

3i value at 31 March 2026 (£m)



2 This represents 95% of the Private Equity portfolio by value (31 March 2025: 93%). Quoted holdings, ten23 health and companies with net cash are excluded from the calculation. Net debt and adjusted earnings at 31 December 2025 and Action based on LTM run-rate earnings to the end of P3 2026.

Private Equity continued

Private Equity performance continued

Quoted portfolio

Basic-Fit is the only quoted investment in our Private Equity portfolio. In 2025, Basic-Fit's memberships increased by 13% year-on-year and it added 85 clubs to its network, excluding Clever-Fit clubs.

Our remaining 5.8% stake in Basic-Fit was valued at £97 million at 31 March 2026 (31 March 2025: £60 million for a 5.7% stake), following a 56% increase in its share price to €29.42 (31 March 2025: €18.86).

Sum of the parts

At 31 March 2026, ten23 health was valued on a sum-of-the-parts basis, using a discounted cash flow ("DCF") methodology for its operating lines.

Assets under management

The assets under management of the Private Equity portfolio, including third-party capital, increased to £36.8 billion (31 March 2025: £31.9 billion), primarily due to unrealised value gains on Action in the year.

Table 3

Private Equity assets by sector as at 31 March 2026

Sector	Number of companies	3i carrying value 2026 £m
Action (Consumer)	1	23,743
Consumer & Private Label	11	2,787
Healthcare	4	1,389
Industrial	6	947
Services & Software	12	841
Total	34	29,707

Infrastructure

Performance overview

Gross investment return

£106m
or **7%**
(2025: £52m or 3%)

Cash income

£104m
(2025: £106m)

AUM

£6.9bn
(2025: £6.3bn)

We manage funds investing principally in mid-market economic infrastructure in Europe and North America. Infrastructure is a defensive asset class, that provides a good source of income and fund management fees for the Group, as well as long-term capital gains.

Our Infrastructure portfolio generated a GIR of £106 million, or 7% on the opening portfolio value (2025: £52 million, 3%). The return primarily reflects a modest increase in the share price of our quoted stake in 3iN, along with a strong level of dividend income.

The majority of 3iN’s underlying portfolio continues to deliver growth and demonstrate good momentum. Towards the end of the year, 3iN announced an agreement to sell **TCR**. This transaction is expected to generate proceeds of €1.1 billion for 3iN, a portion of which will be deployed into 3iN’s new investment in **Lefdal Mine Datacenter**. The c.50% uplift achieved on the TCR exit largely offsets the negative return on **DNS:NET**, which was written down following a material deterioration in lending appetite for German fibre rollout businesses.

Our US Infrastructure portfolio, including the North American Infrastructure Fund (“NAIF”), delivered a resilient performance for the year. There was also good buy-and-build activity, with three portfolio companies each completing a bolt-on acquisition during the year.

Table 4:

Gross investment return for the year to 31 March

Investment basis	2026 £m	2025 £m
Realised profits over value on the disposal of investments	–	1
Unrealised profits on the revaluation of investments	65	17
Dividends	40	37
Interest and fee income from investments	11	8
Foreign exchange on investments	(10)	(11)
Gross investment return	106	52
Gross investment return as a % of opening portfolio value	7%	3%



Infrastructure continued

Performance overview continued

3iN and European managed funds

3iN generated a total return on opening NAV of 8.5% for the year to 31 March 2026, within its total return target of 8% to 10% per annum, and delivered its dividend target of 13.45 pence per share, a 6.3% increase on last year.

This result reflects 3iN's high-quality portfolio, underpinned by exposure to long-term structural megatrends. The portfolio has little direct exposure to the Middle East and is positively correlated to inflation and longer-term energy prices.

TCR was the standout performer during the year, delivering strong results and winning a number of new contracts with both existing and new customers. At the end of the financial year, 3iN agreed to sell its stake in TCR which is expected to return total proceeds €1.6 billion for 3iN and 3i managed funds.

Of these total proceeds, 3iN is expected to receive €1,140 million. This represents an approximate 50% uplift on its opening valuation and, including prior distributions, a money multiple of 3.6x. The transaction is expected to complete in Q3 2026.

ESVAGT made good strategic progress during the year, with its fleet of Service Operation Vessels ("SOV") increasing by one third from nine to 12 vessels through the delivery of one newbuild and the acquisition of two operational vessels, supported by a 3iN further investment of €23 million. Results were impacted by a delay in the delivery of the newbuild SOV and weaker activity across the UK oil and gas market impacting their emergency rescue and response vessels.

Joulz completed two transformational acquisitions in the year, including the Italian and Dutch divisions of Centrica Business Solutions and a carve out of Engie's Belgian Commercial & Industrial solar rooftop business. Both acquisitions develop Joulz's European footprint, expanding its integrated solutions into the heat sector and increase its profitability by 70%. 3iN supported these acquisitions with a further investment of €107 million.

Infinis delivered good operational and financial performance in 2025, despite decreases in power prices, which the business has effectively mitigated with hedging strategies.

FLAG saw good demand for subsea cables as data usage continues to grow, particularly from the development of AI. FLAG acquired the IAX/IEX cable systems and a fibre pair on the trans-pacific ECHO system in the year, with a further investment of \$70 million funded from its own resources.

3iN also saw positive contributions from **Tampnet**, **Future biogas** and Oystercatcher's 45% owned terminal **Advario Singapore**.

Towards the end of 2025, the lending appetite for German fibre rollout businesses deteriorated materially. As **DNS:NET**'s fibre rollout plan is highly dependent on the availability of new funding, which is now constrained, the valuation has been written down to nil, representing a significant drag on 3iN's overall return for the year.

Lower local authority spending and increased competition in the temporary traffic light segment continued to weigh on **SRL**'s performance.

In March 2026, 3iN and 3i managed funds agreed to invest c. €400 million to acquire a majority stake in Lefdal Mine Datacenter, a high-quality Norwegian data centre campus. The transaction is due to complete in the summer of 2026.

As investment manager to 3iN, in FY2026, we recognised a management and support services fee of £54 million (2025: £51 million) and a NAV-based performance fee of £16 million (2025: £29 million). This performance fee comprised a third of the potential performance fee for each of FY2026, FY2025 and FY2024, after the performance hurdle was met in each year.

North American Infrastructure

We established our North American Infrastructure investment business in 2017, and subsequently reached a first close for the North American Infrastructure Fund ("NAIF") in 2022. Across this period of time our highly experienced North American Infrastructure team has developed a portfolio of assets including those within the NAIF and Smarte Group, that focus on essential services across sectors with high barriers to entry.

NAIF

Regional Rail delivered solid organic growth during the year, reflecting higher volumes across its key regions. In June 2025, the company completed the acquisition of Minnesota Commercial Railway, its eighth since we first invested, adding c.86 miles of track to its operations. After a successful refinancing in March 2026, 3i received proceeds of £13 million. EC Waste continued to expand geographical coverage of waste collection and environmental management services across Puerto Rico, through the acquisition of ARB waste services in June 2025. The company continues to advance landfill gas-to-energy initiatives at two of its major facilities. Overall, EC Waste delivered stable returns in the year. Amwaste experienced positive trading momentum, driven by increased landfill tonnage, the full year performance of two tuck-in acquisitions completed in 2024, and good operational performance.

Infrastructure continued 3iN realisation

Headquartered in Brussels, Belgium, TCR is the largest independent lessor of airport ground support equipment. TCR is a 3iN investment.

€1.6bn

Expected realised proceeds for 3iN and 3i managed funds

3.6x

Sterling money multiple¹
(total cash return over cost)

¹ Return on 3iN's stake.

3iN invested in TCR in 2016, with a significant follow-on investment in 2022. Over this period, 3iN has supported TCR in developing into a leading global platform for ground support equipment leasing. Since 2016, TCR has completed six bolt-on acquisitions, contributing to the expansion of its operations from 100 airports across 11 countries to 237 airports in 24 countries and more than doubling the size of its fleet.

In March 2026, 3iN announced the sale of its stake in TCR. This realisation is expected to generate proceeds of €1.6 billion for 3iN and 3i managed funds. Of these total proceeds, 3iN will receive €1,140 million, representing a c.50% uplift on its 31 March 2025 value, a 3.6x money multiple and a 20% IRR.

IN FOCUS:
TCR



Infrastructure continued

Performance overview continued

Assets under management

Infrastructure AUM increased to £6.9 billion (31 March 2025: £6.3 billion), primarily reflecting the increase in the share price of 3iN and strong returns from the larger European assets. We generated fee income of £65 million from our Infrastructure fund management activities in the period (2025: £61 million).

3i's proprietary capital Infrastructure portfolio

The Group's proprietary capital Infrastructure portfolio consists of its 29% quoted stake in 3iN, its investment in Smarte Group (formerly Smarte Carte) and direct stakes in other managed funds.

Quoted stake in 3iN

At 31 March 2026, our 29% stake in 3iN was valued at £897 million (31 March 2025: £856 million), as its share price increased by 5% year-on-year to 333 pence (31 March 2025: 318 pence). As a result, we recognised an unrealised value gain of £41 million (2025: unrealised value loss of £23 million), in addition to the £35 million of dividend income received in the year (2025: £33 million).

North American Infrastructure proprietary capital

Smarte Group delivered resilient performance in 2025. Performance was supported by growth across the international carts, lockers and ancillary airport service segments. Demand for carts at US airport locations was weaker, as macro-economic and geopolitical activity weighed on inbound US traffic volumes.

In January 2026, Smarte Group completed the acquisition of Lost & Found Software, a lost-and-found-software technology provider to airports and transport hubs globally. The self-funded acquisition further expands Smarte Group's reach internationally.

At 31 March 2026, Smarte Group was valued at £301 million on a DCF basis (31 March 2025: £308 million).

Table 5

Assets under management as at 31 March 2026

Fund/strategy	Proprietary capital value £m	AUM £m	Fee income earned in 2026 £m
3iN ¹	897	3,071	54
3i MIA	100	1,957	4
3i managed accounts	–	981	5
North American Infrastructure Fund ²	210	561	2
Smarte Group	301	301	–
Other ³	35	n/a	n/a
Total	1,543	6,871	65

1 AUM based on the share price at 31 March 2026.

2 Includes Regional Rail, EC Waste and Amwaste.

3 Other reflects our remaining proprietary stake in Alba EOPF (formerly 3i EOPF), following the sale of our operational projects infrastructure fund capability in May 2024.

Infrastructure continued 3iN investment

Lefdal Mine Datacenter (“LMD”) is a high-quality data centre campus based on the west coast of Norway. Upon completion, LMD will be a 3iN investment.

This investment provides exposure to a rapidly growing segment of digital infrastructure, supported by increasing demand for high-density computing. The company benefits from its location in Norway which has a low-cost, reliable power supply and leverages its underground location and closed-loop seawater cooling system to achieve high levels of energy efficiency.

In March 2026, 3iN, alongside a 3i-managed investor, agreed to invest c.€400 million in the business, with completion expected in summer 2026.

€400m

3iN and 3i managed funds total
committed investment

IN FOCUS:
LMD



Scandlines

Performance overview

Gross investment return

£55m
or **10%**

(2025: £46m or 9%)

Dividend income

£21m

(2025: £22m)

We first invested in Scandlines in 2007, increasing our stake in 2013, before realising our holding in 2018, returning £835 million of proceeds at a money multiple of 7.7x. We subsequently reinvested £529 million in a 35% stake in Scandlines in 2018. Since our reinvestment, Scandlines has returned total cash proceeds of £253 million, 48% of our reinvestment, and is held on a longer-term basis to generate capital and income returns.

Performance

Scandlines delivered a resilient financial performance in FY2026, generating a GIR of £55 million, or 10% of opening portfolio value (2025: £46 million, 9%). Despite weak consumer sentiment, leisure performed well, particularly over the peak summer period. The freight segment continued to see volume pressure amid a negative macroeconomic backdrop and higher competition across the Baltic routes.

Scandlines remains highly cash generative and distributed £21 million of dividends to 3i in FY2026 (2025: £22 million).

Scandlines continues to make good progress against its sustainability agenda, with The Baltic Whale, Scandlines' new zero direct emission freight ferry, entering operations in March 2026. In addition to supporting Scandlines' ambition to reduce emissions, the vessel increases freight capacity on the route on which it operates by 27%.

We continue to value Scandlines on a DCF basis, with a value of £571 million at 31 March 2026 (31 March 2025: £529 million).

Table 6:

Gross investment return for the year to 31 March

Investment basis	2026 £m	2025 £m
Unrealised profits on the revaluation of investments	21	19
Dividends	21	22
Foreign exchange on investments	22	(10)
Movement in fair value of derivatives	(9)	15
Gross investment return	55	46
Gross investment return as a % of opening portfolio value	10%	9%

Foreign exchange

We hedge the balance sheet value of our investment in Scandlines. We recognised a £22 million gain on foreign exchange translation (2025: £10 million loss), offset by a £9 million fair value loss (2025: £15 million gain) from derivatives in our hedging programme.





Sustainability

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A responsible approach

We aim to generate attractive returns across the cycle by behaving responsibly as an investor, an employer and a corporate citizen.

With assets under management of £44.3 billion and a relatively small direct footprint, our impact on the environment and society is determined principally by our portfolio. We have a long-term, responsible approach to investment and aim to compound value through thoughtful origination, disciplined investment and active portfolio management, considering the consequences of our actions on stakeholders. This practice is built on our values, strong governance and robust processes, both at 3i itself and at its portfolio companies. This commitment has enabled us to build trust with our shareholders, co-investors and portfolio companies, and to recruit and develop employees who share our values and ambitions.

Our reporting

We have chosen to report with reference to the Global Reporting Initiative ("GRI") and Sustainability Accounting Standards Board ("SASB") standards. Please refer to our website for the GRI content index and SASB disclosures. We also provide additional disclosures across a number of areas in our data appendix and in the summaries of relevant policies that are available on our website.

Governance and resources

The Board of Directors is responsible for the oversight of the Group's sustainability strategy, approach and policies, including the Responsible Investment policy. It delegates day-to-day accountability for sustainability to the executive management and, in particular, the Chief Executive. The Chief Executive has established a number of committees that support him in overseeing and monitoring policies and procedures and that address issues if they arise. This includes a Sustainability Committee, which assists and advises the Chief Executive, directly and through the Investment Committee and the Group Risk Committee, on relevant sustainability issues, including developing and proposing the Group's approach to managing sustainability. It also coordinates the Group's various sustainability activities, including the management of sustainability risks and opportunities across the portfolio.

We have several dedicated sustainability professionals, both at Group level, with a focus on the Group's overall sustainability strategy, objectives and reporting, and embedded within our Private Equity and Infrastructure investment teams, with a focus on the assessment and management of sustainability-related risks and opportunities within existing and potential portfolio companies.

External benchmarking

We believe it is important to evidence our commitment to operating sustainably. We therefore provide relevant information to shareholders and other interested stakeholders. We also engage with rating providers that assess our sustainability performance based on their own methodologies. The summary of our ratings is available on our website.

We have been signatories of the UN Principles for Responsible Investment since 2011.

- [➤ Governance framework see pages 108-109](#)
- [+ GRI, SASB, Data appendix and summaries of sustainability policies \[www.3i.com/sustainability\]\(http://www.3i.com/sustainability\)](#)
- [+ Further information on external ratings \[www.3i.com/sustainability\]\(http://www.3i.com/sustainability\)](#)

A responsible approach continued

Our sustainability strategy is defined by three key priorities:

1

Invest responsibly

We give due consideration to the sustainability profile of portfolio companies before investing and throughout the holding period. We use our influence with our portfolio companies to ensure that they consider their environmental and social impacts and dependencies and, where relevant, devise strategies to address them.



> Pages 52-61

2

Recruit and develop a diverse pool of talent

Recruiting, retaining and developing our talent is a priority. We value diversity and believe that a variety of perspectives enhances our decision making.



> Pages 62-65

3

Act as a good corporate citizen

We embed responsible business practices throughout our organisation, by promoting our values and culture.



> Pages 66-67

Invest responsibly

1

Invest responsibly

We believe that a responsible approach to investment aligns with our values and supports the delivery of attractive returns from our portfolio over the long term.

We have majority or significant minority holdings in our core portfolio companies and are represented on their boards. We exercise our influence to ensure that they consider their material sustainability-related topics and, where relevant, support them in developing plans to mitigate sustainability risks and invest in value creation opportunities that may arise.

Our approach as a responsible investor

As a long-term investor with permanent capital, we focus on compounding value over time through responsible ownership and active stewardship. Our flexible investment horizon enables us to support our portfolio companies' sustainable growth across market cycles. Sustainability considerations are embedded throughout our investment approach, from portfolio construction and due diligence to active asset management, reflecting our belief that the effective management of sustainability risks and opportunities is integral to resilience, value creation and long-term shareholder outcomes.

Our business model see pages 20-21

Oversight of these matters is provided by the Sustainability Committee which reviews how sustainability-related risks and opportunities are assessed throughout our investment and portfolio management activities. The Committee develops and recommends changes to our processes and to our Responsible Investment ("RI") policy, to ensure that they remain aligned with emerging best practice, evolving stakeholder expectations and recent and upcoming sustainability regulations across our markets.

Our RI policy is reviewed regularly to ensure that it is aligned with 3i's strategic priorities and industry standards.

Summary of our Responsible Investment policy
www.3i.com/sustainability/responsible-investment

Our Responsible Investment policy

Our RI policy sets out the types of businesses in which 3i will not invest, as well as minimum requirements in relation to sustainability matters which we look for our portfolio companies to either meet or aim to meet over a reasonable time period, where applicable. We screen all investments against the RI policy, irrespective of their country or sector. We monitor adherence to, and progress towards meeting, 3i's expectations on a regular basis. 3i's expectations, as set out in the RI policy, are to invest in businesses which are committed to:

Good governance

Implementing a strong corporate governance and risk management culture which is appropriate to the relative size and complexity of the relevant business and the markets in which they operate.

The environment

A cautious and responsible approach to managing the environmental aspects of their business operations, as well as those of their supply chain, by making efficient use of natural resources and mitigating environmental risks and damage.

Business integrity

Upholding high standards of business integrity, avoiding corruption in all its forms and complying with applicable anti-bribery, anti-fraud, anti-money laundering, anti-trust and data protection laws and regulations.

Fair and safe working conditions

Respecting the human rights of and maintaining safe and healthy working conditions for their workers and of the people working in their supply chain, treating their employees fairly, upholding the right to freedom of association and collective bargaining, treating their customers fairly and respecting the health, safety and wellbeing of those affected by their business activities.

Invest responsibly continued

Proactive engagement with our portfolio

Assessment and management of sustainability factors in our investment and portfolio management processes

The active management of sustainability risks and opportunities is integral to our investment, portfolio management and value creation processes. We embed an assessment of the long-term sustainability profile of existing and proposed investments into our due diligence and investment review processes, guided by materiality and relevance. Once invested, we encourage and support our portfolio companies to reach a desired level of maturity on sustainability-related matters as they grow and we gather relevant data to measure their progress. This enables us to prepare companies ahead of any exit opportunity.

We continued to offer training and updates on key developments to our 3i staff, including our investment executives, on sustainability topics relevant to our portfolio and their roles as directors on portfolio company boards. In FY2026, we provided dedicated training to employees on nature and its relevance for 3i and its portfolio.



Invest responsibly continued

Proactive engagement with our portfolio continued

Once invested, we use our influence to support portfolio companies in monitoring sustainability factors and developing a proportionate sustainability strategy over the course of our ownership period. Our engagement strategy with portfolio companies is based on three pillars described on the right.

As part of our engagement strategy, we leverage our knowledge and expertise across our portfolio and facilitate the sharing of best practice, either through introductions to other companies or trusted advisers. We organise annual sustainability forums for representatives from our portfolio companies. Our most recent forum in June 2025 covered a range of topics including nature, decarbonisation, health and safety, and content focused on the skills needed to effectively deliver a sustainability strategy. We plan to organise a follow-up forum in June 2026.

Our activities include both portfolio-wide engagement on topics that are material across the portfolio and to 3i as the investment manager, as well as targeted, one-on-one interactions with individual portfolio companies on topics that are material to them given their specific circumstances and level of sustainability maturity. Our level of support and involvement ranges from providing performance benchmarking using sustainability data to acting as an extension of a portfolio company's sustainability team for specific projects. As an example of a more hands-on approach, in FY2026, we supported one portfolio company through the secondment of a member of the 3i sustainability team, providing day-to-day practical support.

On pages 55-59, we highlight a few examples of the progress achieved by our portfolio companies under each of our engagement pillars. Additionally, we provide an update on some of Action's material sustainability topics on pages 32-33.

Our engagement pillars see pages 55-59

Action's Sustainability Programme see pages 32-33

Engagement pillar

Common goals that we might have for our portfolio companies under this pillar include

Future fit

Sustainability expectations from stakeholders continue to evolve and increase in scope and complexity as portfolio companies grow. We support our portfolio companies, through 3i's dedicated sustainability resources and our representation on boards, to respond to changing regulatory requirements and stakeholder expectations in ways that strengthen long-term positioning and value creation. This includes supporting companies to professionalise their approach to sustainability, while adapting their business models, products and services to mitigate risks, build resilience and unlock commercial opportunities through innovation, efficiency, market access and customer demand.

- assigning clear responsibility for sustainability, aligned with strategic decision making and supported by appropriate resourcing;
- developing and implementing proportionate sustainability strategies;
- identifying material sustainability risks and opportunities, including those impacting growth, competitiveness and customer relevance, and taking action to address them;
- adapting, where needed, to respond to changing stakeholder expectations, market developments and regulatory requirements; or
- establishing proportionate governance, policies, procedures, and reporting; and responding effectively to evolving regulatory requirements.

Climate and resources

Climate change and the transition to a low-carbon economy are among the defining business challenges of our time. Our near-term emissions reduction targets cover the majority of our portfolio, and we work with portfolio companies to support progress against them. We take a pragmatic approach that reflects each company's stage of maturity, from measuring GHG emissions for the first time to advancing decarbonisation efforts. We also engage specifically on climate-related risk, supporting companies to identify and manage exposures and respond to transition opportunities.

- measuring their carbon footprint,
- setting science-based targets or developing appropriate decarbonisation pathways, and demonstrating progress over time; or
- identifying and managing climate-related risks and opportunities.

People

We expect our portfolio companies to provide safe and healthy working conditions and to respect the human rights of employees, contractors and value chain workers. Given the diversity of our portfolio, our expectations in this area vary according to each company's sector, operating model and risk profile. Through active engagement, where relevant, we support portfolio companies in identifying and managing their most salient people-related risks and in embedding appropriate policies and practices into their operations.

- establishing a proportionate human rights policy;
- establishing a proportionate health and safety policy;
- reporting of health and safety data to the portfolio companies' boards; or
- establishing mechanisms to ensure the effectiveness of those policies.

Invest responsibly continued

Proactive engagement with our portfolio continued

Future fit

Our engagement under the Future fit pillar in FY2026 focused on supporting companies at different stages of maturity to put in place or improve and advance governance, accountability, processes and strategy for managing material sustainability matters.

A key area of focus during the year was the evolving scope and timing of EU sustainability regulation. Following the announcement and approval of the EU Omnibus proposal, many companies had to reassess their sustainability reporting strategy and determine how best to leverage work already undertaken, while remaining prepared for future regulatory developments. We also supported companies in developing and refining their sustainability strategies using benchmarking insights and our proprietary maturity framework to identify and address areas requiring further progress.

In parallel, some of our portfolio companies focused on how they can embed sustainability more deeply into their core operations and use it as a value creation opportunity.

74%

of portfolio companies by number had a sustainability strategy in place¹ as at 31 March 2026

¹ Excluding PPP project investments and some legacy minority and other minority investments where we have limited influence.

OMS Prüfservice

OMS Prüfservice ("OMS") is a leading tech-enabled electrical testing provider based in Germany, dedicated to ensuring the safety and reliability of electrical appliances, systems, and machinery.

As electrification accelerates across industries, buildings, and infrastructure, OMS plays a critical role in operational resilience. This mission is anchored in the company's vision "Safety for the All Electric Society". In 2025 alone, OMS demonstrated its scale by completing more than 14 million electrical inspections.

The energy transition allows OMS to leverage its core expertise in fast-growing, low-carbon sectors. With OMS E-Mobility, the company offers a comprehensive end-to-end operating model for EV charging infrastructure. This includes construction, scaling, real-time monitoring, and field services, alongside DGUV V3 testing, maintenance, and integrated billing solutions. Currently, OMS E-Mobility manages over 15,000 charge points for major operators and corporate fleets, actively removing barriers to sustainable transport.

>15,000

charge points managed by OMS E-mobility for major operators and corporate fleet

OMS reinforces its role as a sustainable partner by decarbonising its own operations. By transitioning its fleet of over 700 vehicles to fully electric and installing solar PV systems at key sites, OMS has aligned actions with ambitions. Coupled with comprehensive energy efficiency measures and the procurement of renewable electricity, the company achieved a reduction of over 80% in Scope 1 and 2 emissions (market-based) between 2022 and 2025.



Invest responsibly continued

Proactive engagement with our portfolio continued

TCR

As a global leader in the leasing of airport ground support equipment ("GSE"), TCR contributes to more sustainable airport operations by embedding sustainability across its operating model and value proposition.

Under 3i's 10-year management, this approach was formalised through TCR's sustainability strategy, aligning environmental and social priorities with commercial ambitions.

This evolution has been underpinned by a mature sustainability governance framework, with board oversight and dedicated governance structures including TCR's Sustainability Committee. Sustainability criteria have been integrated into investment processes, supporting strategic decision-making and capital allocation, enabling disciplined execution and reinforcing TCR's position at the forefront of sustainable ground support operations.

This has driven momentum in the electrification of GSE fleets, with TCR playing a leading role in shaping and accelerating the transition for its customer base. TCR's standard GSE offering is electric, enabled by the sourcing of electric alternatives across a broad range of equipment families and partnerships with manufacturers to bring new solutions to market. TCR also facilitates the use of lower-emission fuels where electrification is not yet feasible. As a result, TCR has enabled customers to reduce emissions while improving total cost of ownership. More than 40% of TCR's GSE fleet is electrified, with over 60% of new capex allocated to electric GSE, reflecting strong customer demand and underpinning continued growth.

In parallel, TCR has pioneered the GSE pooling model, enabling multiple ground handlers to share equipment within a single fleet. This improves safety on the apron by reducing congestion, for example by 40% at London Luton Airport, while also lowering emissions. Pooling is now a core component of TCR's commercial offering and a key growth lever for the business.

To address operational barriers to electrification, TCR has launched a dedicated Airport Solutions business unit, providing integrated electrification and energy solutions, including Charging-as-a-Service. This positions TCR as a solutions integrator across the value chain, unlocking new revenue streams and supporting higher-value customer propositions.

TCR has further strengthened its position as a sustainability leader in its industry by setting SBTi-validated emissions reduction targets, covering both its own operations and its wider value chain, which represents 98% of its emissions profile. These targets provide a clear, science-based pathway to decarbonise GSE operations across TCR's upstream and downstream value chain, including a commitment for at least 76% of capital goods suppliers to spend to have science-based targets by 2029.

By the time 3i announced the realisation of its investment in March 2026, sustainability had been fully integrated into and aligned with TCR's commercial strategy, supporting customer demand and underpinning long-term value creation.



>40%

of TCR's GSE fleet
is electrified



Invest responsibly continued

Proactive engagement with our portfolio continued

Climate and resources

In FY2026, our engagement under the Climate and resources pillar focused mostly on GHG emissions calculations, setting targets and assessing climate-related risks.

We continued to work with our portfolio companies on improving the quality of GHG emissions calculations. We and some of our portfolio companies engaged an external advisor to help them calculate GHG emissions covering Scope 1, 2 and material Scope 3 categories. We also made good process in establishing emissions reduction targets across the portfolio. By the end of FY2026, 10 portfolio companies had set science-based emissions reduction targets, allowing us to achieve our FY2028 portfolio coverage target ahead of time. Seven of those companies have already shown measurable emissions reduction progress in line with their targets.

In parallel, we advanced our work on climate risk resilience. We carried out AXA Altitude physical climate risk assessments of our portfolio companies using key locations to evaluate potential exposure across hazard types and time horizons, and shared detailed reports with some of our companies to help them devise strategies to mitigate identified risks.

Our portfolio companies continue to think about climate, circularity and nature in the development of their products.

100%

of portfolio companies by number provided Scope 1 and 2 emissions¹ as at 31 March 2026

10

portfolio companies had set science-based emissions reduction targets as at 31 March 2026

¹ excluding PPP project investments and some legacy minority and other minority investments where we have limited influence.

WaterWipes

WaterWipes is a leading global premium skincare wet wipe brand based in Ireland, whose products contain two natural ingredients only (99.9% water and a drop of grapefruit seed extract). The brand is accredited by recognised skin health and allergy institutions, and is endorsed by healthcare professionals globally.

Environmental considerations have been embedded in product development at WaterWipes for many years. The brand was an early mover away from plastic-based wipes, becoming the first major baby wipe brand to introduce a 100% plant-based and plastic-free wipe in 2020. In 2025 the company took a further step by improving the regenerated cellulose material used, which is derived from wood pulp.

This upgraded the environmental profile of the wipe, while also enhancing performance, resulting in a stronger, thicker and softer product.

Packaging has also been an area of focus. Product boxes use up to 70% recycled FSC cardboard, while multi bags contain 30% recycled polyethylene. In 2025, the plastic film which plays a key role in keeping wipes clean and moist was also upgraded to improve recyclability.

Alongside these product changes, WaterWipes has built a structured organisational sustainability programme. The business procures 100% green electricity certified by Bord Gáis Energy, and has set a science-based target to reduce Scope 1 and 2 greenhouse gas emissions by 42% by 2030.



Invest responsibly continued

Proactive engagement with our portfolio continued

People

During FY2026, our engagement under this pillar focused on strengthening the foundations for creating quality work environments and improving visibility and practices in the supply chain.

We worked with portfolio companies to establish proportionate human rights and health and safety ("H&S") policies that are aligned with the scale and nature of their operations, while remaining responsive to regulatory expectations and stakeholder scrutiny. This included supporting companies with limited formal frameworks to develop baseline policies for the first time, as well as reviewing and refining existing policies where practices were more established.

A continued area of focus was the implementation and effectiveness of these policies in practice. Through engagement with management teams, we encouraged the development and advancement of appropriate mechanisms to monitor policy effectiveness, such as incident reporting, internal oversight processes and escalation routes. Where relevant, we supported companies in strengthening governance around H&S performance and in improving the visibility of people-related risks within their operations and, where applicable, their value chains.

88%

of portfolio companies by number had a supplier code of conduct¹ as at 31 March 2026

¹ Excluding PPP project investments and some legacy minority and other minority investments where we have limited influence.

Infinis

Infinis is a UK generator of low-carbon power from captured methane. The business captures methane gas from landfill sites and converts it into electricity.

Infinis has further strengthened its well-established commitment to workplace safety through the introduction of a comprehensive H&S Strategy, embedded within its broader sustainability strategy.

The strategy is structured around four pillars: Personal, Process, Environmental and Mind, reflecting a holistic approach that extends beyond physical risk management. These focus on ensuring everyone returns home safely each day, preventing major incidents through the safe operation of equipment, protecting the environment, and fostering a culture where employees feel able to speak up and are supported in their wellbeing.

Infinis's approach emphasises mental as well as physical health. Recognising the challenges associated with operating in a traditionally male-dominated sector, mental wellbeing is treated as a core priority, supported by leadership engagement, clear expectations and dedicated support mechanisms.

Further development of the H&S Strategy is driven by a detailed project plan spanning FY2026 and FY2027, with cross-functional collaboration led by the Health, Safety, Quality, Environment, Compliance & Sustainability team. Regular meetings and feedback gathered via the Safety Group, Employee Forum, and company surveys are ensuring continuous improvement and alignment with employee priorities.

To embed the refined approach into company culture, Infinis has introduced visual strategy logos and the slogan "Work Safe, Home Safe," selected through employee input. Simplified safety rules and enhanced site signage further reinforce awareness, helping make safety an integral part of everyday operations.



Invest responsibly continued

Proactive engagement with our portfolio continued

Future Biogas

Future Biogas is an anaerobic digestion (“AD”) plant developer and a biomethane producer located in the UK. It operates 11 sites, owning or holding majority stakes in 10 of those, with a further seven sites at various stages of planning.

In FY2026, Future Biogas strengthened its H&S performance through a combination of new digital tools, cultural change and targeted operational improvements.

A key initiative has been the rollout of a mobile-enabled incident reporting app across a geographically dispersed workforce. The app enables real-time reporting via phone, with photo, video and location capture. This limits delays, incomplete data and underreporting of incidents and near misses. As a result, the quality and timeliness of information have improved, enabling safety teams to respond more quickly and track incidents through to resolution. Over time, adoption has increased and the reporting culture has improved, supported by management-led input where required.

Beyond its own operations, Future Biogas actively promotes best practice across its agricultural supply chain, a sector with elevated injury rates. Engagement includes pre- and post-harvest reviews, sharing of risk assessments and a zero-tolerance approach to unsafe behaviours. Employees are empowered to challenge contractors, reinforcing clear safety expectations and driving cultural improvement across partners.

As an owner and operator of assets, the company is also investing in practical safety enhancements. For example, modular rail systems are being installed to mitigate fall risks on feedstock clamps, and repurposed materials have been used to improve safety around raised equipment.

Together, these initiatives demonstrate a scalable, pragmatic approach to improving safety outcomes and embedding a stronger H&S culture across the business and its wider ecosystem.



Invest responsibly continued

Sustainability risks in our portfolio

Through our pre-investment assessment and subsequent monitoring and engagement, we have identified a number of key sustainability risks that our portfolio companies are exposed to. These, together with applicable mitigating actions, are summarised in the table below.

Key risk	Mitigation
<p>Climate change</p> <p>Risk of financial or operational losses due to the physical impacts of climate change or to the transition to a low-carbon economy</p>	<p>We work with portfolio companies to set emissions reduction targets and develop decarbonisation plans to mitigate climate-related transition risks. Additionally, portfolio companies might adjust or expand their offering to cover the transition to a low-carbon economy. We started engaging with portfolio companies on the results of physical risk assessments performed during the year to ensure that appropriate adaptation measures are in place.</p> <p> TCFD disclosures see pages 68-81</p>
<p>Human rights</p> <p>Risk of adverse human rights impacts arising from the actions or operations of portfolio companies or their supply chain</p>	<p>3i's approach to human rights includes a commitment to invest in businesses that respect the human rights and maintain safe and healthy working conditions for their workers and the people working in their supply chain. Human rights risks are assessed using data collected from portfolio companies on an annual basis. For companies with higher-risk supply chains, there is a focus on responsible sourcing practices, including the practical actions taken by companies to assess and mitigate risk in the supply chain.</p>
<p>Occupational health and safety</p> <p>Risk of injury or harm to employees and contractors due to inadequate health and safety practices</p>	<p>The safety and wellbeing of employees across the portfolio is a priority. We monitor health and safety data through our sustainability assessments and material incidents are recorded on our central risk log. We support companies in maintaining robust policies and procedures, and in establishing clear board-level oversight, appropriate incident management and adequate resourcing in this area.</p> <p> Proactive engagement with our portfolio see pages 58-59</p>
<p>Environmental and social regulation</p> <p>Risk that evolving sustainability-related regulations or sudden directional changes could impact the operational or financial performance of portfolio companies</p>	<p>We monitor key regulatory developments relevant to our portfolio companies and assess their preparedness for them. We also support portfolio companies to stay informed about relevant regulatory developments, assess potential impacts, and prepare for compliance.</p>

Invest responsibly continued

Sustainability risks in our portfolio continued

Key risk		Mitigation
Cyber security	Risk of disruption to core operations or at key third-party suppliers, with potential data loss or compromise from cyber threats, IT vulnerabilities, or system failures	Cyber resilience is a core component of good corporate governance across our portfolio. Our Chief Information Security Officer (“CISO”) function works closely with the senior leadership teams of portfolio companies and key stakeholders to support alignment with 3i’s cyber security expectations and controls. Cyber security is embedded in our investment due diligence, where we assess the maturity of target companies and identify material risks or required improvements where relevant and feasible. We also conduct annual cyber maturity assessments across the portfolio, agree remediation actions with management teams, and promote the sharing of best practice, including through our annual CTO forum.
Fraud	Risk of financial loss due to fraudulent activity by internal or external actors	Fraud risk is monitored through our investment and portfolio management processes. We seek to ensure that portfolio companies have adequate governance structures and resources to manage this risk. Fraud incidents are recorded on our central risk log and learnings are shared among investment teams.
Sanctions	Risk of legal or reputational harm arising from violations of economic sanctions imposed by international bodies or individual countries	3i’s policy is to comply with all applicable UK and international sanctions, both directly and in relation to its investment activities. Adherence to our sanctions policy is monitored by the compliance team and we ask portfolio companies themselves to put in place policies and processes to ensure that they are able to comply.
Changing consumer preferences	Risk that companies may lose relevance if they fail to adapt to evolving expectations from customers or consumers	We encourage portfolio companies to understand their material environmental and social impacts and respond to shifting market developments and customer or consumer preferences by adapting their commercial offering to meet stakeholder expectations. ➤ Proactive engagement with our portfolio see pages 55-56

Recruit and develop a diverse pool of talent

2

Recruit and develop a diverse pool of talent

Our people are our most valuable asset. Recruiting, retaining and developing talent is therefore a priority.

Our recruitment, promotion and reward processes are based solely on merit. As an equal opportunities employer, we prohibit all forms of discrimination.

We foster an open and non-hierarchical culture and provide an inclusive and supportive working environment with opportunities for training and career development. We promote the physical and mental wellbeing of our employees. We value diversity and believe that a variety of perspectives enhances our decision making.

Inclusion strategy and initiatives

We cultivate an inclusive environment for existing and prospective employees, which respects, involves and leverages diverse talent for greater organisational good. Our priority is to attract and retain exceptional talent based on merit and we recognise that gender and ethnic diversity, along with diversity of thought, experience and perspective, strengthens decision-making and drives better outcomes.

We aim to continue to improve diversity by considering and encouraging diversity in recruitment processes. We do not have formal diversity targets, as it is not feasible for us to implement any in light of the small size of our organisation, as well as our relatively low turnover and recruitment volumes. We recognise, therefore, that achieving better diversity for us will continue to be an incremental journey over many years, and we aim to build on our progress with a number of initiatives.

Our Inclusion steering group, chaired by our Chief Human Resources Officer and with members drawn from across the organisation, continues its discussions on potential initiatives to improve our performance in this area.

During the year, we started the fifth cohort of our Leading with Impact Programme, through which we encourage leaders to reflect on personal and group biases, with the objective of gaining insights into how these influence their everyday behaviours and decision making. To date, 31 senior team members have taken part in this programme.

We run an internal mentoring programme. Our mentors undergo training in bias awareness and inclusion, building their inclusion knowledge, skills and confidence. This programme is open to all employees across all geographies and levels of seniority and supports our wider goal of creating a diverse pipeline of talent, based on the principles of merit, fairness and equity.

We regularly review individual and team dynamics to foster an inclusive and collaborative culture. The Myers-Briggs Type Indicator (“MBTI”), which we offer to new joiners following an organisation-wide rollout in previous years, supports this by providing a structured and widely used framework for understanding personality differences and supporting professional development.

Our Equal Opportunities and Diversity and Global Recruitment and Selection policies provide that all 3i employees, contract workers and job applicants must be treated fairly and be offered equal opportunity in selection, training, career development, promotion and remuneration. These policies are available to all employees through the internal employee portal. No incidents of discrimination were reported in FY2026.

[+ Read more
 www.3i.com/sustainability/sustainability-policies](https://www.3i.com/sustainability/sustainability-policies)

223

employees¹
as at 31 March 2026

25

nationalities²
as at 31 March 2026

1 Global employee headcount.

2 Individuals holding more than one nationality are counted once. In such cases, the less common nationality is recorded.

Recruit and develop a diverse pool of talent continued

Gender diversity

We continue our contribution to industry-wide work and advocacy on gender parity through a number of industry associations and by participating in forums and initiatives that promote the advancement of women in the investment sector. 3i is a member of Level 20 in the UK and part of Synergist Network, a US national network of women in investing, focused on connecting women in the first decade of their investing careers and providing them with the infrastructure and network to support long-term success.

We have also signed up six employees to join this year's "Executive Leaders" and "Rising Leaders" Programmes with WeQual, a global, peer-led community for large organisations seeking to support, connect and develop their women leaders.

Of the 23 new hires we made during the year, 10 were female and 13 were male.

As at 31 March 2026, 3i's total of 223 employees was broken down as follows, based on sex¹:

	Female	Male	Total
3i employees	88	135	223
Senior managers ²	8	14	22

1 Note that we refer to "female" and "male" when discussing sex and to "women" and "men" when discussing gender identity. The information of sex is gathered through employees' legal documents shared with us.

2 Senior managers include Simon Borrows, James Hatchley and Jasi Halai, our Chief Executive, Group Finance Director and Chief Operating Officer, who are also Board members. This disclosure is based on the criteria set out in Section 414C of the Companies Act 2006. This data is different to the data provided for the FTSE Women's Leader review which defines senior management as Executive Committee members and their direct reports (excluding personal assistants and administrative staff). Using that definition, out of 55 senior managers, 15 were female while 40 were male as at 31 October 2025.

[Read more www.3i.com/sustainability/sustainability-policies](http://www.3i.com/sustainability/sustainability-policies)

3i is an official sponsor of Level 20

Level 20 is a not-for-profit organisation dedicated to improving gender diversity in the European private equity industry. It is sponsored by over 120 private equity firms. Its ambition is for women to hold at least 20% of senior positions in this industry. Level 20 works to empower women who already work within the industry, encourage new talent to join and provide leadership teams with insight and best practice solutions to help them address current gender imbalances within the industry and their firms. Its mission and goal are underpinned by four key initiatives:

- Industry engagement – mobilising firms to collaborate and drive change
- Professional network – connecting and amplifying women across private equity
- Career development – accelerating progression through mentoring and leadership programmes
- Research & insight – providing authoritative data to inform decision-making

[Read more www.level20.org](http://www.level20.org)



3i participates in the GAIN Empower Investment Internship Programme (in partnership with Level 20)

GAIN (Girls Are INvestors) is a UK-based charity working to improve gender diversity in investment management by educating, inspiring and supporting women and non-binary students seeking careers in the industry. Through targeted training, mentoring, networking and paid internships with participating firms, GAIN aims to build a strong and more diverse pipeline of future investment professionals.

The GAIN Empower Investment Internship Programme offers women and non-binary students across the UK the opportunity to gain practical experience in investment management through paid summer placements, alongside structured technical training and dedicated mentoring.

3i participated in the 2023-2025 summer internship programmes, taking a minimum of two interns for paid internships per intake. Two further interns will be joining 3i's investment teams for paid internships in the summer of 2026. In addition to the internship programme, a number of our employees are taking part in the GAIN one-to-one mentoring programme, both as mentors and mentees.

[Read more www.gainuk.org](http://www.gainuk.org)



Recruit and develop a diverse pool of talent continued

Ethnic diversity

We are committed to advocating for better representation of ethnic minorities in our industry and, since 2021, have been participating in the 10,000 Black Interns programme (formerly #100BlackInterns) organised by the 10,000 Interns Foundation.

Employee engagement

We encourage a collaborative culture, ensuring open communication between employees and senior management. As a small organisation, we operate a relatively flat structure with few hierarchies, which facilitates direct interaction and accessibility. In addition, our Executive Committee maintains an open-door policy, encouraging dialogue at all levels. We welcome feedback from employees to senior management through informal conversations and more formal forums, including regular team meetings, as well as through the annual appraisal process. Managers throughout 3i are expected to keep their teams informed of developments and to communicate financial results and other matters of interest.

Additionally, we organise regular conferences for our Private Equity, Infrastructure, Professional Services and global support teams. These forums provide an opportunity to review progress against our strategy, align our objectives and discuss future plans in an open and relaxed setting with all employees involved.

3i participates in the 10,000 Black Interns programme by the 10,000 Interns Foundation

3i has partnered with the Foundation since it first organised internships in the summer of 2021, supporting its mission to unlock opportunity and expand access to high-quality, paid internships for Black students and graduates in the UK. The programme originated in 2020 as the 100 Black Interns initiative, initially focused on addressing the lack of Black representation within investment management. Following its early success, the initiative expanded rapidly across the UK economy and has now delivered more than 10,000 internship opportunities across over 35 sectors, working with more than 1,000 employer partners. The programme provides structured training, paid summer internships and ongoing support to help talented individuals launch meaningful careers.

Most recently, we welcomed two students for paid internships within our investment teams in summer 2025, and we look forward to welcoming one intern in 2026.

[+ Read more www.10000internsfoundation.com](https://www.10000internsfoundation.com)



The Board typically holds two of its meetings every year in our international offices. This provides an opportunity for non-executive Directors to meet the local teams, often in a more informal setting. In FY2026, the Board held meetings in our New York and Amsterdam offices, as well as in London. The non-executive Directors also have other opportunities to engage with employees, for example by attending our semi-annual portfolio company reviews. These important meetings provide the non-executive Directors with an insight into how our investment business operates and our culture.

At 3i, we actively encourage and facilitate employee share ownership through variable compensation and share investment plans. The engagement and the sense of ownership we have fostered over the years are reflected in relatively low employee turnover rates.

	FY2026	FY2025	FY2024	FY2023	FY2022
Participation in UK SIP ¹	90%	89%	90%	87%	89%
Voluntary employee turnover rate (global)	4.5%	7.6%	6.0%	9.5%	12.2%

¹ Proportion of UK-based employees who subscribe to a Share Incentive Plan available to UK employees only.

Living wage

3i is an accredited London Living Wage Employer. This means that every member of staff based in London, including contracted maintenance and reception teams, earns at least a "living wage", which is an hourly rate higher than the UK minimum wage and is set independently, updated annually and based on the cost of living in London.

Outside of London, our overseas offices tend to employ only investment and professional services staff, as well as support staff, all of whom are remunerated above applicable minimum or living wage requirements.

Recruit and develop a diverse pool of talent continued

Human rights

Our policy is that we do not procure services from, nor invest in, businesses which make use of slavery, servitude, human trafficking, forced labour, exploitation, compulsory labour or harmful child labour.

These policies are consistent with internationally recognised human rights principles such as the UN Global Compact. We comply fully with applicable human rights legislation in the countries in which we operate, for example covering areas including freedom of association and the right to collective bargaining, equal remuneration and protection against discrimination. We also encourage our business partners and suppliers to adopt the same standards with respect to human rights. Considering the nature of our business, our employees are not unionised, nor do they engage in collective bargaining.

We published our statement on modern slavery for the financial year ended 31 March 2025 on our website in September 2025 and will update this statement in September 2026.

Learning and development

We can only achieve our strategic objectives if we continue to attract, retain and develop capable people. We therefore provide our employees with opportunities, experience and training to contribute to the organisation's success, realise their potential and develop their knowledge and capabilities.

We encourage employees to take responsibility for their own development by working with their line managers to devise personal development plans that align with their individual aspirations and 3i's objectives. Given the specialised nature of many of the roles in 3i, an emphasis is placed on work-based learning, with the provision of development opportunities supported by targeted training and mentoring. This is supplemented by formal courses conducted both internally and externally and usually with a multinational group drawn from across the countries in which 3i operates.

In FY2026, we provided formal specialist training on areas and skills including presentation, communication and negotiation skills, procurement and maximisation of portfolio potential and GenAI. We also offered executive coaching for some employees. Our investment executives regularly receive education on issues of wider topical interest and impact, for example, on nature and its relevance and impact on 3i and its portfolio.

We also have induction plans for all new joiners, including sessions with different teams across the business to help facilitate integration.

Our formal appraisal and objective-setting process, held annually for each employee, is key to their personal development. During this process, we measure each employee's performance against their agreed objectives and 3i's values to inform decisions on remuneration, training, career development and future progression. We encourage employees to make use of an online facility to obtain 360-degree feedback as part of this process.

Employee wellbeing

We recognise the importance of supporting the wellbeing of our employees by providing a healthy working environment and work/life balance. All employees enjoy a broad range of formal benefits aligned with local custom and practice and often enhanced relative to the statutory minimum. Summaries of our employment and benefit policies are available on our website.

Physical health

We promote the physical wellbeing of our employees. For example, in the UK, we offer our employees annual medical and dental insurance and annual health checks. 3i continues to provide services with the aim to support employees going through or approaching menopause. Our Menopause Policy formalises the details of available support.

For a number of years, employees have had access to a Consultant Exercise Physiologist and Dietitian, providing professional guidance on exercise, nutrition, and wellbeing through a range of complimentary services. 3i offers free gym access for its London employees.

Mental health and employee assistance

We maintain a pool of qualified "mental health first aiders" who have received dedicated training. Over the past years, most employees have participated in workshops facilitated by a specialist mental health consultancy. Most recently, we organised a number of wellbeing sessions covering various family topics. In addition, our employees have access to a mental health app offering meditations and exercises for stress, focus, sleep, and movement.

All UK-based employees have access to an Employee Assistance Programme that offers free, confidential counselling on a range of personal and work-related issues and problems. The service also provides legal and financial advice, and other information and services. Employees who are members of the UK private medical insurance, for which 3i covers premiums, have access to up to 10 sessions per annum of psychological support, without a requirement for General Practitioner referral.

Flexible working

Employees are provided with the tools to work remotely and can apply to work flexibly to manage personal or family commitments, as and when required. Flexible working options include remote working, flexible hours and job sharing through part-time working.



Read more
www.3i.com/sustainability/sustainability-policies

Act as a good corporate citizen

3

Act as a good corporate citizen

We expect our employees to act with integrity, accountability and a strong sense of ownership. They are encouraged to approach their roles with ambition, rigour and energy. We embed that culture in our policies and processes.

Governance

Good corporate governance is fundamental to 3i and its activities and is critical to the delivery of value to our stakeholders. The Board approves corporate values and the Executive Committee sets the tone and leads by example.

For full details of our governance structure and processes, please see the Governance section of this report.

Standards of conduct and behaviour

We promote and enforce our standards of conduct and behaviour through a comprehensive suite of policies and procedures which, together with our compliance manual and our values, form our code of conduct. Our policies and procedures are reviewed annually.

Our Internal Audit and Compliance teams perform regular reviews, which include reviews of compliance with our established standards of conduct and behaviour. Their findings are reported quarterly to the Audit and Compliance Committee, which also carries out an annual review of risk and internal control effectiveness, including standards of conduct and policy compliance. The Board of 3i's main regulated entity, 3i Investments plc, which includes members of the Executive Committee, also receives quarterly updates.

We evaluate our employees against our values as part of our annual formal performance review process. In addition, all employees have a mandatory conduct objective against which they are formally assessed as part of their annual performance review.

[+ Read more www.3i.com/about-us/our-values](http://www.3i.com/about-us/our-values)

[+ Read more www.3i.com/sustainability/sustainability-policies](http://www.3i.com/sustainability/sustainability-policies)

Public policy

Although 3i does not participate directly in party political activity, it may engage in policy debate on subjects of legitimate concern to 3i, its staff and the communities in which it operates. We primarily do this through industry representative bodies such as the UK Private Capital and Invest Europe, where we might contribute to the formulation of policy positions. Occasionally, we may engage directly with government and regulatory bodies on matters of particular and direct importance to 3i and its businesses. Lobbying must only be undertaken with the prior approval of the Executive Committee and in a manner that is lawful and adheres to 3i's values.

Compliance and policies

Our compliance manual includes policies on:

- Financial crime, including anti-bribery and corruption
- Hospitality, gifts and inducements
- Political donations
- Public policy and activity
- Data protection

Our Values



Act as a good corporate citizen continued

Transparency and openness

We believe that all employees and people connected with 3i deserve fair treatment and respect for their fundamental rights and therefore encourage everyone to speak up and report their concerns.

Where any employee discovers information which they believe shows malpractice or wrongdoing within 3i, under most circumstances they will raise concerns with their line manager, who will pass this information to the appropriate Executive Committee member. Should this route not be suitable, then the employee may approach the Directors of Compliance or Internal Audit, or the General Counsel and Company Secretary, who have been designated to provide impartial advice on the appropriate course of action to follow.

Alternatively, all employees across all our office locations may express and report their concerns on a completely confidential and anonymous basis to an independent "hotline" whistle-blowing service provided by EthicsPoint, an independent, external party. Our policies make clear that there should be no fear of reprisal or victimisation or harassment for whistle blowing. There were no incidents of whistle blowing in the year.

Risk management see pages 94-96

Environmental impact

Due to the nature of 3i's business and number of employees, 3i has a relatively small direct impact on the environment and other sustainability issues. Our impact on the environment, society and communities is determined largely by our portfolio. We have set near-term science-based targets for the reduction of our direct emissions and those associated with our portfolio. We are committed to minimising our direct impact on the environment through more efficient use of resources and energy and to improving our environmental performance through the reduction of emissions and waste wherever possible. We have an Environmental Management System that is proportionate to the operational size and environmental risk profile of our business. We monitor our environmental performance on an annual basis through a number of environmental metrics. Our GHG emissions and those associated with our portfolio, as well as progress against our targets, are reported in our TCFD disclosures.

We use the precautionary principle to manage environmental risk for our business and our portfolio proactively.

Invest responsibly see pages 52-61

TCFD disclosures see pages 68-81

Read more on environmental information
www.3i.com/sustainability/corporate-citizenship/environment

Community

3i is keen to support charities which relieve poverty, promote education and support elderly and disabled people.

The charities we partner with are supported on the basis of their effectiveness and impact. Our charitable giving for the year to 31 March 2026 totalled £1.2 million. This included supporting our ten charity partners, matching staff fundraising, making a number of one-off donations and promoting the give-as-you-earn scheme in the UK, which is administered by the Charities Aid Foundation, and through which 3i matched c.£65,000 of employee donations.

www.3i.com/sustainability/corporate-citizenship/charitable-giving

Our TCFD disclosures

These disclosures reflect 3i's response to the TCFD recommendations. They set out how we incorporate climate-related risks and opportunities for our business and portfolio into our governance, strategy and risk management.

They also include our direct GHG emissions metrics, climate-related metrics associated with our portfolio, as well as emissions reduction targets for our operations and our portfolio and progress against them.

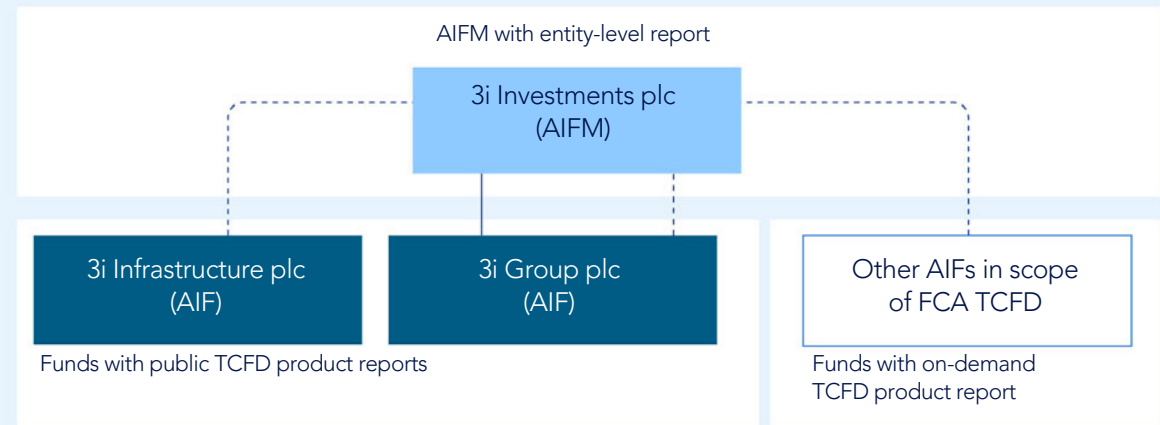
Regulatory background

3i Group plc is an Alternative Investment Fund managed by 3i Investments plc, a UK Alternative Investment Fund Manager. 3i Investments plc is a wholly-owned subsidiary of 3i Group plc. This TCFD report is published in line with the requirements outlined in the FCA's Environmental, Social and Governance ("ESG") sourcebook. They require 3i Investments plc to disclose publicly specific climate-related metrics and processes as part of a product report for 3i Group plc based on the TCFD recommendations. These disclosures also cover the Group's, including 3i Investments plc's, overall approach to climate change in line with the TCFD recommendations.

The diagram below shows the TCFD reporting requirements for these entities.

This TCFD report should be read in conjunction with the 3i Investments plc TCFD entity report, which is available on 3i's website, and with the rest of this Annual report, which contains other relevant information. Specific references are provided where applicable.

[+ www.3i.com/sustainability](https://www.3i.com/sustainability)



Our TCFD disclosures continued

Governance

TCFD recommendations

Disclose the organisation’s governance around climate-related risks and opportunities:

- Describe the board’s oversight of climate-related risks and opportunities
- Describe management’s role in assessing and managing climate-related risks and opportunities

The management of climate-related risks and opportunities is integral to our processes and operations, including our investment and portfolio management activities, with oversight by the Board and delegated authority to the Chief Executive. In determining 3i’s strategy and approach to climate change, both the Board and the Chief Executive, assisted by a number of committees, consider the laws and regulations of the countries where 3i and its portfolio companies operate, along with the perspectives of relevant stakeholders, such as those identified on pages 118-121. The governance structure is set out in the diagram on the right.

Non-executive oversight

The Board as a whole is responsible for the approval of the Group’s approach in relation to sustainability matters (including climate-related matters) and has oversight of the Group’s sustainability strategy, approach and policies, including our Responsible Investment policy. It is assisted by the Audit and Compliance Committee in the review and consideration of any disclosures related to sustainability matters, including climate-related disclosures.

The Board and Audit and Compliance Committee receive regular updates on sustainability matters and climate-related issues from the Chief Executive and members of the Sustainability Committee as they become relevant and material.

Governance over climate-related risks and opportunities



Non-executive oversight

In FY2026, the main updates to the Board on climate-related issues included:

May 2025	Review and approval of the FY2025 Annual report by the Audit and Compliance Committee, including the TCFD disclosures, progress towards science-based targets and other climate- and sustainability-related disclosures contained elsewhere in the report
June 2025	Update to the Board on the sustainability risk profile and progress of the portfolio, following presentations made to the Group Risk Committee on the results of the annual sustainability assessment of portfolio companies in March
November 2025	Update to the Audit and Compliance Committee from the Chief Executive on the sustainability risk profile and progress of the portfolio, following presentations made to the Group Risk Committee
January 2026	Update to the Board on Action’s progress on its sustainability agenda
March 2026	Update to the Board on the sustainability progress of a number of portfolio companies as part of broader presentations on their performance

Our TCFD disclosures continued

Governance continued

Board skills and training

The Board received dedicated training on sustainability, including climate change, over the past years. This training has provided the Directors with the tools necessary to improve their oversight of the Group’s approach to climate change and the resulting impacts on the portfolio and investment strategy, and to inform the Board’s decision making.

Our Directors also regularly attend our semi-annual portfolio company reviews, which include discussions of the material aspects of portfolio companies’ climate strategy.

A number of our Directors have experience of assessing climate-related factors and have received training on this topic through other executive and non-executive roles.

Executive responsibility

Day-to-day accountability for sustainability, including climate-related issues, rests with executive management and, in particular, the Chief Executive. The Chief Executive is supported by a number of committees in overseeing and monitoring policies and procedures and addressing issues that arise. These include the Sustainability Committee, Investment Committee and Group Risk Committee.

Sustainability Committee

The Sustainability Committee membership, shown in the diagram on this page, is drawn from a range of investment and non-investment functions across the Group. The Sustainability Committee also benefits from input from relevant functional areas as required.

Sustainability Committee structure



The Sustainability Committee focuses on three main areas:

- reporting to and advising the Chief Executive (directly and through the Group Risk Committee and Investment Committee) on relevant sustainability matters, including climate-related risks and opportunities, and developing and reviewing policies, processes and strategies to manage sustainability risks and opportunities for the Group and its investment activities;
- developing and recommending the Group’s sustainability approach (including a climate strategy) to the Chief Executive for review by the Board; and
- coordinating and facilitating sustainability-related activities and initiatives across the Group and the portfolio.

The Committee considers relevant legal and regulatory requirements and industry standards, as well as best market practice, and monitors progress against its agenda.

The Sustainability Committee held meetings in July, September, December 2025 and April 2026 covering FY2026 sustainability matters. The Sustainability Committee’s activities and focus for the year are described throughout this TCFD report.

Our TCFD disclosures continued

Governance continued

Investment Committee

The role of the Investment Committee is described on pages 94 and 95. In performing its activities, the Investment Committee ensures that material sustainability matters, including relevant climate-related risks and opportunities, are properly identified, assessed and managed in the course of our investment, divestment and portfolio management activities.

The Investment Committee is chaired by our Chief Executive and comprises individuals drawn from our central functions (including the Group Finance Director and Chief Operating Officer), as well as from our Private Equity and Infrastructure investment teams (including the heads of Private Equity and Infrastructure and other senior investment team members). It meets on an ad-hoc basis to discuss potential new investments, divestments and significant portfolio activity.

Group Risk Committee

The role of the Group Risk Committee (“GRC”) is described on pages 94 and 95. As part of its responsibilities, it identifies the principal risks and new and emerging risks, including climate-related risks, facing 3i, as well as the associated mitigating actions and key risk indicators. During the year, the GRC received semi-annual updates on our sustainability approach and strategy from the Sustainability Committee, as well as semi-annual updates on the sustainability progress of the portfolio and associated risks and opportunities, including climate-related matters.

This committee also maintains oversight of the Responsible Investment policy and considers and recommends to the Board for approval amendments to this policy as required, taking into account legal, regulatory and market developments regarding climate change.

The GRC, which meets at least twice a year, is chaired by the Chief Executive, and also comprises the Group Finance Director, Chief Operating Officer, the General Counsel, the Chief Human Resources Officer, Investor Relations and Sustainability Strategy Director, as well as the heads of our Private Equity and Infrastructure businesses.

Dedicated sustainability resource

We have dedicated sustainability resources embedded across the organisation, including:

- a Sustainability Director and a Sustainability Senior Associate in our Private Equity investment team;
- a Sustainability Associate Director in our Infrastructure investment team; and
- a Sustainability Senior Manager in the Group Investor Relations function to coordinate the Group’s work on sustainability and implement Group-wide projects.

Participation in industry working groups

We are part of the Initiative Climat International (“iCI”), a global, practitioner-led community of private markets investors that seek to understand and manage climate-related risks better. As of March 2026, the iCI had 300 members globally, representing more than US\$4.8 trillion in AUM. iCI members share a commitment to reduce the carbon emissions of private companies and secure sustainable investment performance by recognising and incorporating the materiality of climate risk. We participate in iCI’s Net Zero working group.

We are part of the ESG Data Convergence Initiative (“EDCI”) which facilitates the effective collection and reporting of ESG data across the private equity industry and enables us to benchmark our performance across a broad peer set.

As members of UK Private Capital, we contribute to its engagements with relevant bodies on relevant sustainability topics, including climate change.

Executive remuneration

The Executive Directors receive, in addition to their salary, an annual bonus and long-term share incentive awards based on the achievement of a number of performance conditions. For FY2026, annual bonuses for executive management were awarded based on a balanced scorecard of both financial and strategic measures agreed by the Remuneration Committee, alongside a consideration of the wider context of personal performance (including values and behaviours), risk, market and other factors.

Among the strategic and qualitative measures included in the balanced scorecard to determine the FY2026 annual bonus award, up to 5% of the maximum annual bonus opportunity was tied to progress against a number of sustainability objectives. The Remuneration report on pages 146 to 169 sets out the Remuneration Committee’s assessment of the performance of the Executive Directors against the scorecard’s sustainability objectives. This TCFD report and the broader Sustainability section of this Annual report describe the measures taken by the Group to make progress against these objectives.

- **Risk management** see pages 94-96
- **Governance framework** see pages 108-109
- **Directors’ Remuneration report** see pages 146-169

Our TCFD disclosures continued

Strategy

TCFD recommendations

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material:

- Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term
- Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning
- Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Our investment strategy is to make a small number of new investments each year in our Private Equity and Infrastructure businesses, selected within our target sectors and geographies on the basis of their compatibility with our return objectives. We screen investments against our Responsible Investment policy, which has been in place for many years and is reviewed as appropriate, and most recently in May 2026. We believe that the careful assessment and management of sustainability factors, including climate-related risks and opportunities, can be an important lever for value preservation and, at times, for value creation in our portfolio. We therefore integrate this assessment into our investment screening and portfolio management processes and provide the necessary training and guidance to our investment professionals. These processes are described on pages 53 to 54 of this Annual report.

Resilience of our strategy to climate-related risks

Our business model is simple: we invest our proprietary capital and manage a small number of third-party funds, mainly in our Infrastructure business. We do not manage products with specific sustainability mandates or labels. Our investment and portfolio construction approach is flexible and not constrained by overly prescriptive

investment mandates or by limited duration funds, given the permanent nature of our proprietary capital. The third-party funds we manage in our Infrastructure business are either permanent or of very long duration. We make majority or, in a small number of cases, significant minority investments in our portfolio companies, and exert influence on their boards.

This flexibility in mandates and holding periods is a considerable strength. It supports our ability to manage climate-related risks and opportunities and pivot our investment towards sectors and niches that can benefit from sustainable growth trends. Combined with the influence we exert on portfolio companies, this has allowed us, for example, to build a good track record of investment in renewable energy generation and the energy transition theme in our Infrastructure portfolio over the last few years. It has also allowed us to approve investments within our portfolio companies that support climate change resilience, for example, through a reduction in their GHG emissions or the development of products and services with lower associated emissions.

We do not invest directly in extractive industries (including coal, oil and gas), albeit a small number of our investments do have exposure to some of these sectors.

Climate change scenario analysis

Climate change scenario analysis can be a useful tool to assess the potential future exposure of a portfolio to climate-related risks under different climate warming scenarios. In 2025, we adopted AXA Altitude, a climate risk assessment tool, to enhance our evaluation of climate-related risks across both pre-investment due diligence and ongoing portfolio engagement. During the due diligence phase, the tool is used to identify potential climate risks, which are discussed, if they are material, with prospective investee management teams to assess their level of awareness and the effectiveness of their mitigation strategies.

The tool also supports our ongoing portfolio engagement and in FY2026 enabled us to update our portfolio-wide climate scenario analysis across three time horizons: short term (less than one year), medium term (to

2030), and long term (to 2050). To assess transition risks and opportunities, we use AXA Altitude to analyse each company by sector and geography. For each sector within a given region, the tool assigns a risk rating (low, medium or high) to the most material transition-related risks and opportunities under different climate scenarios. This methodology was applied to 47 portfolio companies that we own and/or manage, enabling us to assess their exposure and resilience to transition risks and opportunities under both orderly and delayed transition scenarios.

Orderly transition

We used an orderly transition scenario, which assumes that policies to mitigate the impacts of climate change are introduced early and become gradually more stringent, culminating in the achievement of global net zero CO₂ emissions in around 2050 and likely limiting global warming to below 2°C on pre-industrial averages. Under this orderly transition scenario, our portfolio is potentially exposed to a number of inherent risk drivers and respective opportunities in the categories described on the next page.

Disorderly transition

A disorderly transition scenario assumes that climate policies are delayed or divergent, requiring sharper emissions reductions, achieved at a higher cost and with increased physical risks in order to limit the temperature rise to below 2°C on pre-industrial averages by 2050.

Under this scenario, the risks identified as part of the orderly transition scenario are delayed but amplified in the run-up to 2050, with a higher potential impact on portfolio companies. For example, carbon prices could be higher and regulations could have much quicker implementation timeframes, resulting in higher costs to achieve compliance. However, the mitigation strategies and opportunities remain broadly the same and would include investment in low-carbon products and more resilient and efficient supply chains, as well as the active monitoring of and compliance with upcoming regulations and a proactive approach to developing transition plans.

Invest responsibly see pages 52-61

Our TCFD disclosures continued

Strategy continued

Principal climate-related transition risks under the Orderly transition scenario

Risk drivers	Most relevant 3i sectors	Time horizon			Potential impact	Mitigation	Opportunities
		S	M	L			
Policy and legal							
<ul style="list-style-type: none"> New regulations and commitments 	<p>Private Equity All</p> <p>Infrastructure All</p>	S	M		<ul style="list-style-type: none"> Non-compliance with regulations and commitments could result in reputational damage for 3i and its portfolio, as well as in legal fees and fines. 	<ul style="list-style-type: none"> 3i and its portfolio companies actively monitor the evolution of the regulatory landscape to ensure that they are prepared for compliance. 	<ul style="list-style-type: none"> Proactivity and early action on compliance with regulations facilitates the exit process.
<ul style="list-style-type: none"> Carbon pricing mechanisms 	<p>Private Equity Industrial</p> <p>Infrastructure Energy, Transport/Logistics, Utilities</p>		M		<ul style="list-style-type: none"> The introduction of carbon pricing could increase the operating costs of our portfolio companies directly or through their supply chain. 	<ul style="list-style-type: none"> Where material, 3i has begun to engage with portfolio companies to identify those at risk from the introduction of carbon pricing mechanisms, and understand the potential impacts before addressing next steps. 	<ul style="list-style-type: none"> Portfolio companies subject to carbon pricing mechanisms could develop or adapt low-carbon processes and products to reduce this impact.
Technology							
<ul style="list-style-type: none"> Increased investment required in sustainable or green technologies and low-carbon processes Competitor innovation 	<p>Private Equity Consumer & Private Label, Industrial, Services & Software</p> <p>Infrastructure Energy, Transport/Logistics, Utilities</p>	S	M	L	<ul style="list-style-type: none"> Increased investments in new technology and processes to reduce carbon emissions may result in higher costs. Successful competitor innovation could result in reduced revenue and market share. 	<ul style="list-style-type: none"> Portfolio companies monitor their markets to identify potential technology risks and, with the support of 3i on their boards, assess the new investments required to stay abreast of developments. 	<ul style="list-style-type: none"> Investment in lower-emissions products and services could lead to improved revenues and profitability over time.

Our TCFD disclosures continued

Strategy continued

Risk drivers	Most relevant 3i sectors	Time horizon			Potential impact	Mitigation	Opportunities
		S	M	L			
Market							
<ul style="list-style-type: none"> • Changing consumer and investor preferences • Unexpected markets shifts • Changes in the job market 	<p>Private Equity Consumer & Private Label, Industrial, Services & Software</p> <p>Infrastructure Energy, Transport/Logistics, Utilities</p>	<p>M</p> <p>L</p>	<ul style="list-style-type: none"> • Changes in consumer preferences in response to climate change (eg preference for products and services with a lower carbon impact) could result in decreased revenues for portfolio companies. • An increasing employee focus on sustainability could make it harder for portfolio companies to retain and attract talent if they are not perceived to be responding adequately to the challenges posed by climate change. 	<ul style="list-style-type: none"> • Portfolio companies monitor their offerings against evolving consumer preferences and employee/potential employee expectations. 	<ul style="list-style-type: none"> • Portfolio companies could invest in innovation to ensure that their products and services align with evolving consumer preferences. 		
Reputation							
<ul style="list-style-type: none"> • Stigmatisation of the sector • Increased stakeholder concerns 	<p>Private Equity Industrial</p> <p>Infrastructure Energy, Transport/Logistics, Utilities</p>	<p>S</p> <p>M</p>	<ul style="list-style-type: none"> • Stigmatisation and stakeholder concerns may result in decreased revenue and increased operating costs for certain portfolio companies operating in sectors perceived as having a high impact on climate change. 	<ul style="list-style-type: none"> • Where material, 3i has begun working with portfolio companies to develop transition plans and business models to ensure that they pivot away from carbon-intensive sectors or end markets. 	<ul style="list-style-type: none"> • Portfolio companies that adopt a proactive approach to climate transition could strengthen their market position, particularly in a disorderly transition scenario. 		

Our TCFD disclosures continued

Strategy continued

To assess physical risks, we collected data on the location and asset type of key assets across our portfolio companies. Using AXA Altitude, each asset is assessed against a range of climate hazards, with risk ratings (low, medium or high) assigned for each hazard type. We analysed over 300 key locations across 35 portfolio companies, covering seven chronic and 14 acute physical risks over medium- and long-term time horizons, including under a “hot house world” scenario, among others. In certain cases, location-specific data was not available or not applicable due to the nature of the business (for example, service-based models or globally diversified operations), or where it was not feasible to obtain the required information.

Hot house world

We used the IPCC SSP5-8.5 “hot house world” scenario, which assumes no additional climate mitigation policies beyond those already implemented, limited fulfilment of current commitments, and continued increases in emissions, leading to a failure to limit a global temperature rise. This scenario is associated with elevated physical risks and significant social and economic disruption.

Under this scenario, across both medium- and long-term time horizons, the highest number of analysed locations within our portfolio are projected to be exposed to four specific physical risks: extreme heat, changing air temperatures, flooding and water stress. We have begun sharing these findings with our portfolio companies and will continue to engage with them to support a better understanding and management of these physical risks.

We also expect a number of portfolio companies to undertake their own climate scenario analysis as they mature in their approach to climate risk management and in response to evolving regulatory requirements. In 2024, Action, our largest portfolio company, representing approximately 75% of our portfolio as at 31 March 2026, conducted a climate risk assessment covering both physical and transition risks using the IEA Net Zero Emissions by 2050 and IPCC SSP5-8.5 scenarios. This analysis identified key physical risks, including increased severity and frequency of extreme weather events, as well as rising heat and precipitation stress, alongside transition risks such as higher operating costs driven by regulation and supply chain changes, and risks associated with non-compliance with reporting requirements, supporting their effective management.

Value at risk

Current climate models to determine value at risk are still at an early stage of development, and do not yet provide sufficiently reliable results for a concentrated portfolio like ours. As a result, we decided not to conduct an analysis of value at risk from climate change impacts. Where relevant and possible, we embed certain climate-related considerations in the valuations of our portfolio companies. We will continue to assess climate modelling tools as they develop and will report on this annually.

Viability statement

In addition to the climate change scenario analyses described above, we have been assessing the potential financial impact of climate change on our portfolio as a whole for some time through the work we do to conduct our annual viability assessment (see page 139).

Transition to a low-carbon economy

The Sustainability Committee determined in FY2024 that the most appropriate approach to align 3i and its portfolio to the UK’s net zero ambitions was to set science-based emissions reduction targets, which were validated by the SBTi in March 2024. We have made significant progress towards them since then. Information on our science-based emissions reduction targets and on the progress we have achieved to date can be found within the Metrics and targets pillar of this report on page 81.

Our TCFD disclosures continued

Risk management

TCFD recommendations

Disclose how the organisation identifies, assesses, and manages climate-related risks:

- Describe the organisation’s processes for identifying and assessing climate-related risks
- Describe the organisation’s processes for managing climate-related risks
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management

We recognise the increasing importance of climate-related risks and monitor them as we do other risks through our comprehensive risk governance framework, both on a portfolio company level and for the Group as a whole. The framework is detailed on pages 94 to 96, and our portfolio sustainability assessment process (which covers an assessment of material climate-related risks for each portfolio company) is described on page 53 of this report.

3i’s own operations are not in themselves exposed to material physical climate risks. We employed 223 people across six offices at the end of FY2026, who can work remotely if needed. Nevertheless, the business is affected directly by climate-related legal, regulatory and reporting risks, as well as by the related reputational risks.

The majority of 3i’s climate risk exposure is through its portfolio. We describe our processes to identify and manage climate-related risks and opportunities in detail under the Strategy pillar above.

Identification, assessment and management of climate-related risks

We consider climate-related risks on the Group and the portfolio through our risk management framework, which is coordinated by the Group Risk Committee and implemented across the organisation as described in the Risk review. Specifically, in relation to the management and mitigation of climate-related risks in the portfolio, we rely, over the life of the investment, on:

- **a pre-investment assessment:** material climate-related risks are assessed internally and reviewed as appropriate by external specialists. This can lead to the Investment Committee requiring further due diligence to be performed or in investments being declined. The implementation of AXA Altitude helped us to ensure that the assessment is consistent across investment opportunities;
- **our ongoing portfolio monitoring process, including climate change scenario analysis:** this involves, in addition to the monthly monitoring of bespoke financial and operational KPIs and in-depth semi-annual portfolio company reviews, a detailed annual sustainability assessment, which covers a number of climate factors. Additionally, we have started sharing the results of our climate scenario assessments with our portfolio companies for further engagement on this topic;
- **Investment Committee oversight:** the Investment Committee manages portfolio risks, including climate-related risks;
- **our influence on portfolio companies:** we make majority or significant minority investments in our core portfolio companies and exercise influence through membership of their boards; and
- **GHG emissions measurement:** the measurement of portfolio company GHG emissions (see “Metrics and targets” on the next page) and engagement with portfolio companies on abatement, mitigation and adaptation strategies.

Our investment processes are described on page 53 of this Annual report. We further mitigate climate-related risks by improving our understanding of climate change and refining our processes over time.

Portfolio data collection and management

To support the assessment and management of portfolio sustainability risks, including climate-related risks, in FY2026 we continued to work on improving the quality of the annual sustainability data (including GHG emissions) we collect from portfolio companies by refining our sustainability assessment questionnaires to ensure that they reflect evolving disclosure requirements, market practice and other stakeholder needs. We continue to work on the consistency and comparability of portfolio GHG emissions data, as this will underpin the quality of our portfolio emissions disclosures. See “Metrics and targets” on the next page for more information on portfolio emissions data.

 **Assessment and management of sustainability factors in our investment and portfolio management processes** see page 53

Our TCFD disclosures continued

Metrics and targets

TCFD recommendations

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material:

- Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks
- Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

3i Group’s portfolio climate metrics

The metrics to the right provide information on the GHG emissions from our portfolio companies. These metrics cover 99.74% of the portfolio value¹ of 3i Group plc as at 31 March 2026 and are calculated in line with the TCFD recommendations implementation guidance.

The increase in absolute portfolio emissions was mainly driven by two companies as a result of changes to calculation methodologies. We expect that our portfolio emissions will continue to fluctuate over the coming years due to: (i) refinements in the methodologies used by certain portfolio companies to calculate their emissions; (ii) business growth and changes in portfolio composition; and (iii) reductions in the portfolio emissions of some portfolio companies. We continue to work with our portfolio companies to improve the quality of the GHG emissions data they report to us. At times, this may mean that GHG emissions data for an individual portfolio company is not comparable year on year. We do not ask portfolio companies to restate prior-year data as they improve the quality of the data they report to us.

Definitions of climate metrics

Portfolio emissions (tCO₂e)

Total portfolio emissions are the absolute Scope 1 and 2 GHG emissions associated with a portfolio. We are allocating GHG emissions for each portfolio company using 3i Group’s fully diluted equity ownership².

Carbon footprint (tCO₂e/£m invested)

Carbon footprint is total portfolio emissions (Scope 1 and 2) normalised by the value of the portfolio², expressed in tonnes of CO₂e/£m invested.

WACI (tCO₂e/£m revenue³)

Weighted Average Carbon Intensity (“WACI”) is a portfolio’s exposure to carbon-intensive companies, expressed in tonnes CO₂e/£m revenue. It is calculated using the carbon intensity for each portfolio company (Scope 1 and 2 emissions/revenue) apportioned based on the relative weight of each portfolio company in the reporting boundary.

FY2026

FY2025

249,709

228,936

7.9

9.0

21.5

24.4

- 1 Note that 3i Investments plc manages a number of co-investment vehicles whose investors are employees or former employees of 3i. For the purpose of this calculation, we have included these co-investment vehicles within the 3i Group scope.
- 2 Sourced from 3i’s finance systems.
- 3 Sourced from portfolio companies.

Methodology and GHG emissions data source

The reporting boundary includes all companies in the portfolio at the balance sheet date. As a private equity and infrastructure asset manager and owner, 3i is able to collect data from its portfolio companies. 3i requests Scope 1 and Scope 2 (location and market-based) GHG emissions data from all portfolio companies, excluding a small number of legacy minority investments, on an annual basis. This data is provided directly to 3i from portfolio companies through a sustainability data collection tool, or via emails in rare cases, and typically covers the year to 31 December. 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. Portfolio companies provide their Scope 3 GHG emissions data to us where available and we are working with the portfolio to improve this data further before we are able to disclose it.

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 (99.74% of the portfolio value for FY2026).

Our TCFD disclosures continued

Metrics and targets continued

Data quality

As we invest in private companies that are at different levels of climate maturity, we have decided to add a quality score to the data that we disclose to ensure that readers understand the reliability and quality of the data provided. Some of our 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 the 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.

The data quality score for 3i Group plc is 1.77 (1.85 in FY2025). It is derived by assigning to each portfolio company a data quality score, weighted by that company’s emissions as a percentage of total portfolio emissions.

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 (with or without formal assurance) and calculated using activity-based data or through direct monitoring	1	
Emissions of the company are available and reported by the portfolio company as being verified internally and calculated using activity-based data or through direct monitoring	2	
Unverified emissions of the company are available and calculated using activity-based data or through direct monitoring; or emissions of the company are available and reported by the portfolio company as being verified by a third party (with or without formal assurance) and calculated using spend-based data	3	
Emissions of the company are available and reported by the portfolio company as being verified internally and calculated using spend-based data	4	
Unverified emissions of the company are available, including those calculated using our sustainability data collection tool	5	
		Uncertain

Our TCFD disclosures continued

Metrics and targets continued

Portfolio net zero alignment scale

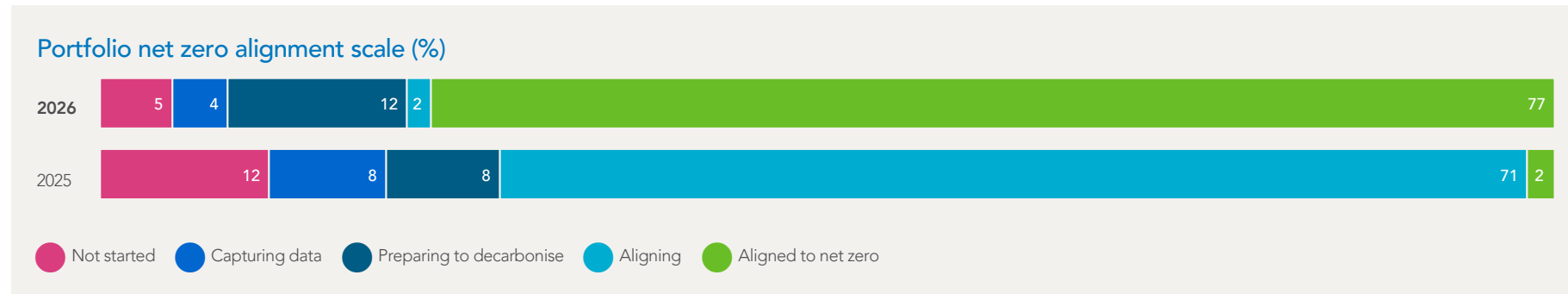
iCI and the Sustainable Markets Initiative’s Private Equity Task Force have developed the Private Markets Decarbonisation Roadmap (“PMDR”) to enable private markets firms to drive their transition to a low-carbon economy. The metric used within this roadmap is based on the climate maturity of each portfolio 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

3i Group plc categorised portfolio companies covering 99.68% of its investment portfolio value as at 31 March 2026 in line with the roadmap’s Alignment Scale. The current alignment of the portfolio based on total portfolio emissions is set out in the chart below.

The PMDR alignment scale requires companies to capture and report all material Scope 3 data in order to be included in the “capturing data” category. While all of our portfolio companies measure and report their Scope 1 and 2 emissions to us, a number of them are not yet in a position to measure and report to us all their material Scope 3 emissions categories and, as a result, we have had to include them in the “not started” category.

We have categorised companies that have set science-based targets using the SBTi’s SME target setting process as “aligning” or “aligned to net zero”, even though some of them have not yet reported all material Scope 3 categories to us. The year-on-year changes in the portfolio alignment scale are due in large part to Action having set SBTi-validated near-term science-based targets in February 2025 and making significant progress towards them.



Our TCFD disclosures continued

Metrics and targets continued

3i Group's emissions from its own operations

This section has been prepared in accordance with our regulatory obligation to report GHG emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2019 which implement the government's policy on Streamlined Energy and Carbon Reporting. During the year to 31 March 2026, our measured Scope 1 and 2 emissions (market-based) totalled 117.8 tCO₂e (FY2025: 187.5).

This is equivalent to 0.5 tCO₂e per average full-time equivalent ("FTE") employees over the year, based on 216 FTE employees (FY2025: 0.8 tCO₂e; 226 FTE employees). Overall, our Scope 1 and 2 (market-based) emissions decreased by 37% year-on-year. Most of the decrease can be attributed to the ending of leases of our old London and New York facilities which we leased alongside our current premises in FY2025 for a period of time.

Our measured Scope 3 emissions decreased to 3,192.3 tCO₂e in FY2026 in comparison to 3,800.3 in FY2025 mainly due to the reduction in travel and capital goods spend during this financial year.

Our total energy consumption was 770.3 MWh (770,300 kWh) in FY2026, 30.5% of which was consumed in the UK. The split of energy consumption is shown in the table below.

Methodology

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. Scope 3 emissions are calculated in line with the World Resources Institute's Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard as well as the World Resources Institute's GHG Protocol Technical Guidance for Calculating Scope 3 emissions.

We consolidate our organisational boundary according to the operational control approach, which includes all our offices. The GHG sources that constituted our operational boundary for the year to 31 March 2026 are:

- Scope 1: natural gas combustion within boilers, fuel combustion within leased vehicles and use of refrigeration and air-conditioning equipment;
- Scope 2: purchased electricity and heat, cooling and steam consumption for our own use, including leased vehicles;
- Scope 3: purchased goods and services, capital goods, fuel- and energy-related activities, waste generated in operations, business travel and employee commuting and emissions associated with working from home.

In some cases, where data is missing, for example, due to the timing of invoices from our utilities providers, values have been estimated either by using data from the previous year as a proxy in the first instance, or extrapolation of available data.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ("dual reporting"): (i) the location-based method, using the average emissions intensity of grids for the country in which the reported operations take place; and (ii) the market-based method, which reflects the emissions from purposefully chosen energy (e.g. bundled electricity, supplier-specific rates, direct electricity contracts).

Although we have a relatively low environmental footprint, we are committed to reducing it further in line with the science-based targets described on the next page. We purchased our electricity from 100% renewable sources during FY2026 for our London, Amsterdam, Paris and Frankfurt offices. Together, these offices accounted for around 83.1% of our overall electricity consumption. The landlord of our office in New York is working on delivering green energy, but it relies on initiatives to be implemented by the New York state government to achieve that objective.

A more detailed description of our methodology can be found in the reporting criteria published on our website.

GHG emissions (Scope)	FY2026 (tCO ₂ e)			FY2025 (tCO ₂ e)		
	UK	Rest of the world	Total	UK	Rest of the world	Total
1	–	29.5	29.5 ^Δ	63.9	26.7	90.6
2 – location-based	41.6	90.1	131.7 ^Δ	112.0	94.5	206.5
2 – market-based	–	88.3	88.3 ^Δ	–	96.9	96.9
Total 1 and 2 (location-based)	41.6	119.6	161.2	175.9	121.2	297.1
Total 1 and 2 (market-based)	–	117.8	117.8	63.9	123.6	187.5
3	n/a	n/a	3,192.3^Δ	n/a	n/a	3,800.3

¹ Δ FY2026 Total data above marked with the Δ symbol has been subject to independent limited assurance by KPMG LLP in accordance with ISAE (UK) 3000 and ISAE 3410. Please refer to www.3i.com/sustainability/sustainability-reports-and-data-library/ for the Reporting Criteria and KPMG's limited assurance report.

Energy consumption (kWh in 000s)	FY2026			FY2025		
	UK	Rest of the world	Total	UK	Rest of the world	Total
Electricity	235.2	197.8	433.0	540.8	239.5	780.3
Fuels ¹	–	124.0	124.0	349.2	99.8	449.0
District heating, cooling, steam	–	213.3	213.3	–	174.8	174.8

¹ Natural gas and transportation fuels (petrol and diesel).

Our TCFD disclosures continued

Metrics and targets continued

Science-based targets

During FY2024, we set SBTi-validated near-term science-based targets that cover our direct Scope 1 and 2 emissions, as well as the Scope 3 emissions associated with our portfolio. These were formulated in line with the guidance published by SBTi for financial institutions and the private equity sector.

Operational emissions target

3i has committed to reducing its absolute Scope 1 and 2 (market-based) GHG emissions by 42% by FY2030 from a FY2023 base year.

Our emissions decreased by 35% from FY2023 (our base year) due to the move to a renewable electricity contract at our Amsterdam office, the reduction in gas consumption as a result of the move to our new headquarters in London, which is powered and heated exclusively with renewable electricity, as well as the closure of our Mumbai office.

Our strategy to meet this target remains consistent and involves engaging with our landlords on the energy efficiency of our premises and on using less carbon-intensive energy sources. We are also engaging with energy suppliers directly or through our landlords on the procurement of renewable electricity.

Financed emissions targets

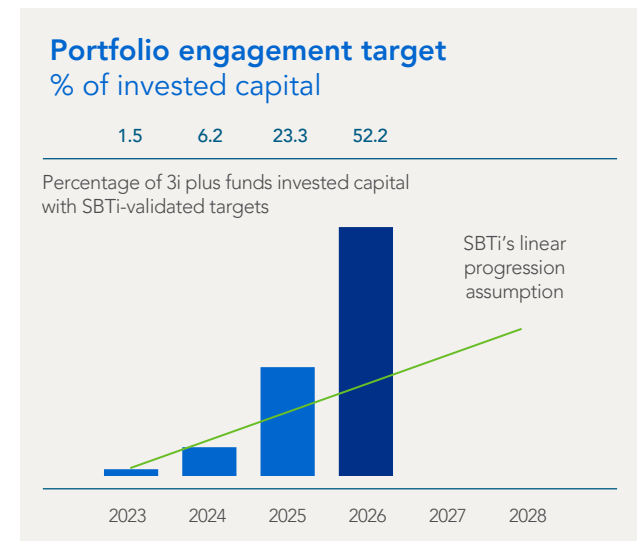
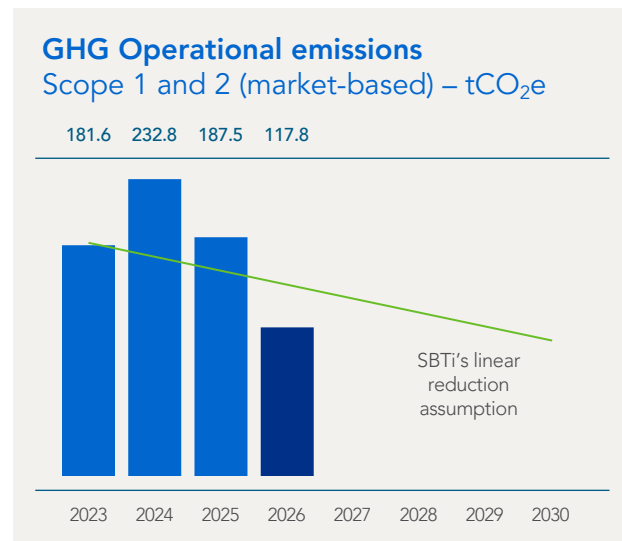
3i's portfolio engagement target commits us to ensuring that 31% of our listed and eligible portfolio by invested capital sets SBTi-validated targets by FY2028 and 100% by FY2040. We made significant progress against this target in FY2026, with 52.2% of our portfolio by invested capital setting SBTi-validated targets.

The companies with validated targets include Action, BoConcept, SaniSure, ten23 health, TCR, SRL, Ionisos, Joulz and Belfast City Airport. WaterWipes, a portfolio company which we acquired in January 2025, already has validated targets, but we have excluded it from our progress chart, as we apply a two-year grace period for all new investments.

3i also committed to reducing GHG emissions from the electricity generation sector within its eligible portfolio by 68% per MWh by FY2030 from a FY2023 base year. 3i achieved a 47.3% per MWh reduction towards that target, mainly due to the sale of Attero, a waste treatment and energy-from-waste company which was held in one of the Infrastructure portfolios. The intensity reduction fluctuates year on year as Infinis, one of our Infrastructure portfolio companies which generates low-carbon power from captured methane, is required to switch on its intermittent power generator for variable periods of time depending on grid needs.

Our strategy to meet the portfolio targets remains consistent with last year's and includes the following actions:

1. As a majority or significant minority investor in our core portfolio companies, we will continue to use our influence and engage with portfolio companies to support them to:
 - (i) measure and report on Scope 1 and 2 GHG emissions at least annually;
 - (ii) measure and report on material Scope 3 GHG emissions at least annually when appropriate; and
 - (iii) develop decarbonisation plans and set science-based targets.
2. We will manage our electricity generation portfolio to reduce its GHG emissions intensity as a whole.
3. We will facilitate knowledge sharing between portfolio companies in relation to formulating decarbonisation plans and setting science-based targets.



Performance and risk

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Financial review

Gross investment return

£5,464m

(2025: £5,211m)

Total return on opening shareholders' funds

22%

(2025: 25%)

Operating profit before carried interest

£5,324m

(2025: £5,098m)

Diluted NAV per share at 31 March 2026

3,030p

(31 March 2025: 2,542p)

Total return

£5,304m

(2025: £5,049m)

Total dividend

84.5p

(31 March 2025: 73.0p)

Table 7

Total return for the year to 31 March

	2026 £m	2025 £m
Investment basis		
Realised profits over value on the disposal of investments	89	51
Unrealised profits on the revaluation of investments	4,166	4,839
Portfolio income		
Dividends	342	509
Interest income from investment portfolio	55	81
Fees receivable	3	10
Foreign exchange on investments	823	(361)
Movement in the fair value of derivatives	(14)	82
Gross investment return	5,464	5,211
Fees receivable from external funds	68	64
Operating expenses	(135)	(150)
Interest receivable	16	18
Interest payable	(65)	(65)
Exchange movements	(23)	20
Other expense	(1)	–
Operating profit before carried interest	5,324	5,098
Carried interest		
Carried interest and performance fees receivable	23	29
Carried interest and performance fees payable	(46)	(81)
Operating profit before tax	5,301	5,046
Tax credit/(charge)	1	(1)
Profit for the year	5,302	5,045
Re-measurements of defined benefit plans	2	4
Total comprehensive income for the year ("Total return")	5,304	5,049
Total return on opening shareholders' funds	22%	25%

Investment basis and Alternative Performance Measures ("APMs")

In our Strategic report, we report our financial performance using our Investment basis. We do not consolidate our portfolio companies as private equity and infrastructure investments are not operating subsidiaries. IFRS 10 sets out an exception to consolidation and requires us to fair value other companies in the Group (primarily intermediate holding companies and partnerships). As explained in the Investment basis, Reconciliation of Investment basis and IFRS sections below, the total comprehensive income and net assets are the same under our audited IFRS financial statements and our Investment basis. The Investment basis is simply a "look through" of IFRS 10 to present the underlying performance and we believe it is more transparent to readers of our Annual report and accounts.

In October 2015, the European Securities and Markets Authority ("ESMA") published guidelines about the use of APMs. These are financial measures such as KPIs that are not defined under IFRS. Our Investment basis is itself an APM, and we use a number of other measures which, on account of being derived from the Investment basis, are also APMs.

Further information about our use of APMs, including the applicable reconciliations to the IFRS equivalent where appropriate, is provided at the end of the Financial review and should be read alongside the Investment basis to IFRS reconciliation. Our APMs are gross investment return as a percentage of the opening investment portfolio value, cash realisations, cash investment, operating cash profit, net cash/(debt) and gearing.

Financial review continued

Realised profits/losses

We generated total realised proceeds of £1,517 million (2025: £1,837 million), primarily from Action's capital restructuring and the sales of MPM and MAIT. These sales were the driver of the £89 million realised profits generated in Private Equity (2025: £50 million).

Unrealised value movements

We recognised an unrealised profit of £4,166 million (2025: £4,839 million) as shown in Table 8 opposite. Action's strong performance contributed £3,544 million (2025: £4,324 million). We also saw good contributions from Royal Sanders and a number of our other Private Equity investments including Audley Travel, Luqom and ten23 health, offsetting a negative contribution principally from Wilson and Cirtec Medical. Our Infrastructure portfolio saw positive contributions from 3iN and other funds.

Further information on the Private Equity, Infrastructure and Scandlines valuations is included in the business reviews.

Portfolio income

Portfolio income comprising dividends, interest income from investment portfolio and fees receivable, decreased to £400 million for the year (2025: £600 million), primarily due to the timing of Action's second dividend that is expected to be received in May 2026, compared to March in the prior year. Other notable contributions include interest income from our portfolio companies, the majority of which is non-cash.

Fees receivable from external funds

Fees receivable from external funds were £68 million in FY2026 (2025: £64 million). The majority of this related to the fund management fee that 3i received from 3iN, which amounted to £54 million in FY2026 (2025: £51 million).

Operating expenses

Operating expenses decreased in the year to £135 million (2025: £150 million), driven by a lower share-based payment charge reflecting a decrease in 3i's share price during the year.

Interest payable

We recognised interest payable of £65 million (2025: £65 million). Interest payable includes interest on the Group's loans and borrowings and amortisation of capitalised fees.

Operating cash profit

We generated an operating cash profit of £276 million in the year (2025: £469 million). Cash income decreased to £421 million (2025: £598 million), principally due to timing of the second Action dividend, with Action's second dividend expected to be received in May 2026 compared to March in the prior year. Cash income included £246 million of cash dividends from Action (2025: £433 million) as well as cash dividends from 3iN, Scandlines and Tato. Excluding the dividends received from Action, the operating cash profit was £30 million (2025: £36 million).

We paid cash operating expenses of £145 million (2025: £129 million) in the year, as shown in Table 9 below. Cash operating expenses increased due to higher variable compensation cash payments. Cash operating expenses were higher than the £135 million (2025: £150 million) of operating expenses recognised in the Consolidated statement of comprehensive income as a result of a lower share-based payment charge.

Table 8

Unrealised value movements on the revaluation of investments for the year to 31 March

Investment basis	2026 £m	2025 £m
Private Equity	4,080	4,803
Infrastructure	65	17
Scandlines	21	19
Total	4,166	4,839

Table 9

Operating cash profit for the year to 31 March

Investment basis	2026 £m	2025 £m
Cash fees from external funds	64	65
Cash portfolio fees	4	7
Cash portfolio dividends and interest	353	526
Cash income	421	598
Cash operating expenses ¹	(145)	(129)
Operating cash profit	276	469

¹ Cash operating expenses include operating expenses paid and lease payments.

Financial review continued

Carried interest and performance fees

We receive carried interest and performance fees from third-party funds and 3iN. We also pay carried interest and performance fees to participants in plans relating to returns from investments. These are received and/or paid subject to meeting certain performance conditions and when cash proceeds have been received following a realisation, refinancing event or other cash distribution and performance hurdles are passed in cash terms. Due to the passage of time between investment and realisation, the schemes are usually active for a number of years and their participants include both current and previous employees of 3i. In Private Equity (excluding the long-term hold assets), we typically accrue net carried interest payable of c.10-12% of the relevant carry vintages' GIR, once the performance hurdle is achieved, based on the assumption that all investments are realised at their balance sheet value. We no longer accrue carried interest payable on Action. Carried interest payable associated with Action was crystallised and paid in previous years.

The overall performance of the Private Equity portfolio resulted in a £47 million increase in the carried interest payable expense.

In Infrastructure, 3iN pays a performance fee based on its NAV on an annual basis, subject to a hurdle rate of return. The continued strong performance of the assets held by 3iN, including the significant uplift achieved on the agreed sale of TCR, resulted in the recognition of £16 million (2025: £29 million) of performance fees receivable. We also recognised £6 million of carried interest receivable from other infrastructure funds.

Overall, the effect of the income statement charge of £46 million (2025: £81 million), cash payments of £15 million (2025: £521 million), as well as currency translation meant that the balance sheet carried interest and performance fees payable was £408 million (31 March 2025: £360 million).

Table 10

Carried interest and performance fees for the year to 31 March

	Investment basis Statement of comprehensive income		Investment basis Statement of financial position	
	2026 £m	2025 £m	2026 £m	2025 £m
Carried interest and performance fees receivable				
Private Equity	1	–	2	4
Infrastructure	22	29	22	29
Total	23	29	24	33
Carried interest and performance fees payable				
Private Equity	(47)	(70)	(403)	(348)
Infrastructure	1	(11)	(5)	(12)
Total	(46)	(81)	(408)	(360)

Table 11

Carried interest and performance fees paid in the year to 31 March

	2026 £m	2025 £m
Investment basis cash flow statement		
Carried interest and performance fees cash paid		
Private Equity	7	510
Infrastructure	8	11
Total	15	521

Financial review continued

Net foreign exchange movements

The Group recorded a total foreign exchange translation gain of £786 million including the impact of foreign exchange hedging in the year (March 2025: £259 million loss), as a result of sterling weakening by 4% against the euro, partially offset by sterling strengthening by 3% against the US dollar.

At 31 March 2026, the notional value of the Group's forward foreign exchange contracts was €3.0 billion and \$1.2 billion. The €3.0 billion includes the €600 million notional value of the forward foreign exchange contracts related to the Scandlines hedging programme.

Including the impact from foreign exchange hedging, 82% of the Group's net assets are denominated in euros or US dollars. Based on the Group's net assets at 31 March 2026, including the impact from foreign exchange hedging, a 1% movement in euro and US dollar foreign exchange rates would impact the total return by £242 million and £12 million, as shown in Table 12 opposite.

Tax

The Group's parent company continues to operate in the UK as an approved investment trust company. An approved investment trust is a UK investment company which is required to meet certain conditions set out in the UK tax rules to obtain and maintain its tax status. This approval allows certain investment profits of the Company, broadly its capital profits, to be exempt from tax in the UK. Income and expenditure, excepting those exempt returns in the Company, are both subject to taxation. The Group's tax credit for the year was £1 million (2025: £1 million charge).

The Group's overall UK tax position for the financial year is dependent on the finalisation of the tax returns of the various corporate and partnership entities in the UK group.

Pension

The Trustees of the UK defined benefit plan ("the Plan") completed the wind-up of the Plan in March 2026. The remaining surplus assets were paid to the Group. Net of associated tax liabilities settled by the Plan, the Group received £65 million.

Table 12

Net assets¹ and sensitivity by currency at 31 March 2026

	FX rate	£m	%	1% sensitivity £m
Sterling	n/a	5,267	17	n/a
Euro ²	1.1467	24,180	78	242
US dollar ²	1.3233	1,223	4	12
Danish krone	8.5672	182	1	2
Other	n/a	35	–	n/a
Total	n/a	30,887	100	n/a

- 1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.
- 2 The sensitivity impact calculated on the net assets position includes the impact of foreign exchange hedging.

Financial review continued

Balance sheet and liquidity

At 31 March 2026, the Group had net debt of £547 million (31 March 2025: £771 million) and gearing of 2% after the receipt of cash income of £421 million and net cash proceeds of £610 million offsetting Group dividend payments of £765 million.

During the year, we refinanced the Group's existing £900 million RCF with a new five-year £1.2 billion RCF at improved pricing. The new RCF provides the Group with additional financial flexibility at low cost until July 2030, with extension options to July 2032. The RCF continues to have no financial covenants.

The Group had liquidity of £1,864 million as at 31 March 2026 (31 March 2025: £1,323 million), comprising cash and deposits of £664 million (31 March 2025: £423 million) and an undrawn RCF of £1,200 million.

The investment portfolio value increased to £31,821 million at 31 March 2026 (31 March 2025: £25,579 million), mainly driven by unrealised profits of £4,166 million in the year.

Further information on investments and realisations is included in the Private Equity, Infrastructure and Scandlines business reviews.

3i Group plc share issuance

As a result of the Action transactions detailed in the Business review, we issued a total of 51 million new ordinary shares of 73 19/22 pence in 3i Group plc shares. At 31 March 2026, the number of diluted shares was 1,019,365,230 (31 March 2025: 968,085,350).

Going concern

The Annual report and accounts 2026 were prepared on a going concern basis. The Directors made an assessment of going concern, taking into account the Group's current performance and the outlook, and performed additional analysis to support the going concern assessment. Further details on going concern can be found on page 138 in the Resilience statement.

Dividend

The Board has recommended a second FY2026 dividend of 48.0 pence per share (2025: 42.5 pence), taking the total dividend for the year to 84.5 pence per share (2025: 73.0 pence). Subject to shareholder approval, the dividend will be paid to shareholders in July 2026.

Table 13

Simplified consolidated balance sheet at 31 March

Investment basis Statement of financial position	2026 £m	2025 £m
Investment portfolio	31,821	25,579
Gross debt	(1,211)	(1,194)
Cash and deposits	664	423
Net debt	(547)	(771)
Carried interest and performance fees receivable	24	33
Carried interest and performance fees payable	(408)	(360)
Other net assets	(3)	130
Net assets	30,887	24,611
Gearing¹	2%	3%

1 Gearing is net debt as a percentage of net assets.

Key accounting judgements and estimates

A key judgement is the assessment required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial treatment of investment entities is accurate. The introduction of IFRS 10 resulted in a number of intermediate holding companies being presented at fair value, which has led to reduced transparency of the underlying investment performance. As a result, the Group continues to present a non-GAAP Investment basis set of financial statements to ensure that the commentary in the Strategic report remains fair, balanced and understandable. The reconciliation of the Investment basis to IFRS is shown on pages 88 to 92.

In preparing these accounts, the key accounting estimate is the carrying value of our investment assets, which is stated at fair value.

Given the importance of the valuation of investments, the Board has a separate Valuations Committee to review the valuation policy, process and application to individual investments. However, asset valuations for unquoted investments are inherently subjective, as they are made on the basis of assumptions which may not prove to be accurate. At 31 March 2026, 97% by value of the investment assets were unquoted (31 March 2025: 96%).

Reconciliation of Investment basis and IFRS

Background to Investment basis financial statements

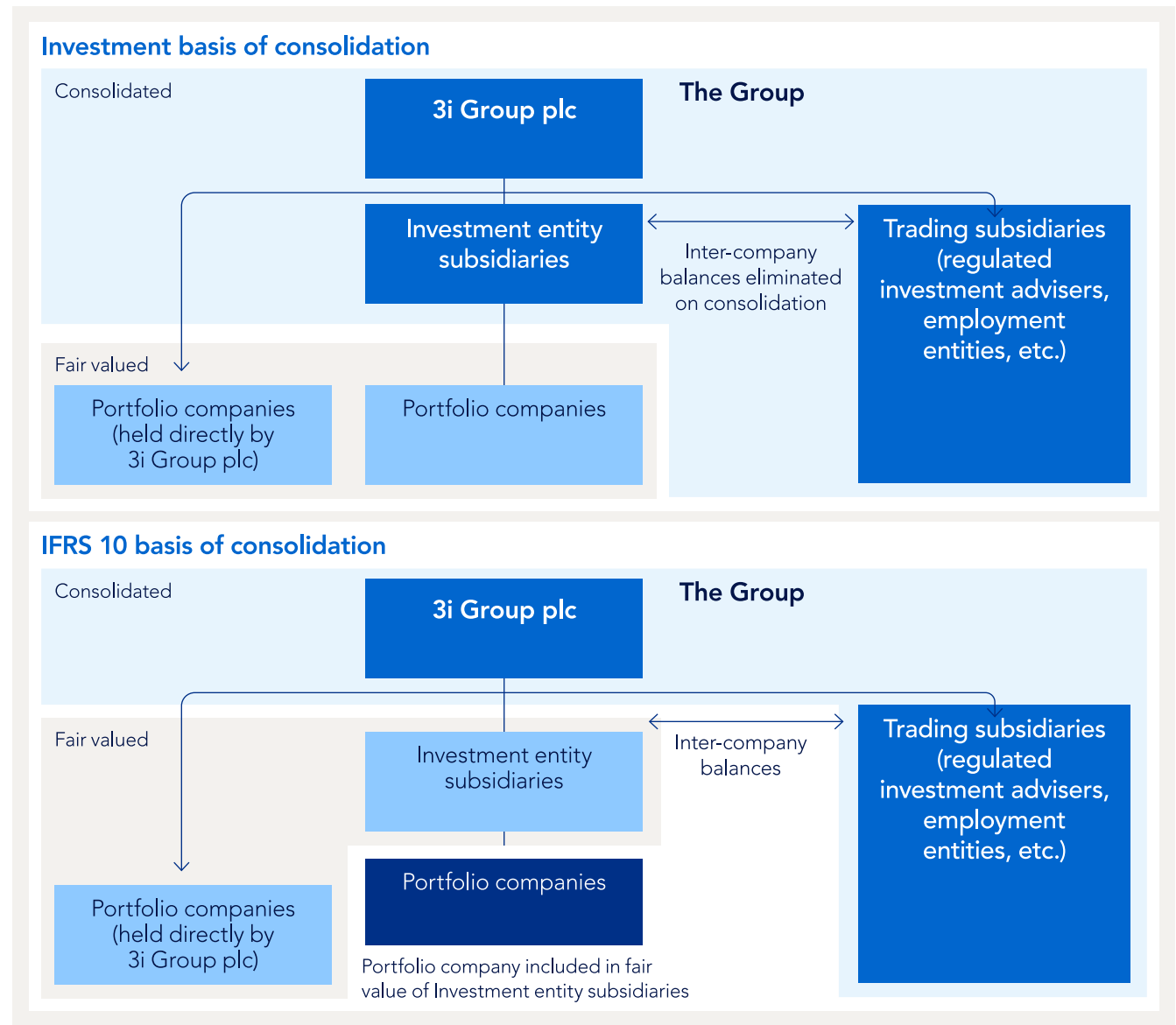
The Group makes investments in portfolio companies directly, held by 3i Group plc, and indirectly, held through intermediate holding company and partnership structures ("Investment entity subsidiaries"). It also has other operational subsidiaries which provide services and other activities such as employment, regulatory activities, management and advice ("Trading subsidiaries"). The application of IFRS 10 requires us to fair value a number of intermediate holding companies that were previously v line by line. This fair value approach, applied at the intermediate holding company level, effectively obscures the performance of our proprietary capital investments and associated transactions occurring in the intermediate holding companies.

The financial effect of the underlying portfolio companies and fee income, operating expenses and carried interest transactions occurring in Investment entity subsidiaries are aggregated into a single value. Other items which were previously eliminated on consolidation are now included separately.

To maintain transparency in our report and aid understanding we introduced separate non-GAAP "Investment basis" Statements of comprehensive income, financial position and cash flow in our 2014 Annual report and accounts. The Investment basis is an APM and the Strategic report is prepared using the Investment basis as we believe it provides a more understandable view of our performance. Total return and net assets are equal under the Investment basis and IFRS; the Investment basis is simply a "look through" of IFRS 10 to present the underlying performance.

Reconciliation of Investment basis and IFRS

A detailed reconciliation from the Investment basis to IFRS basis of the Consolidated statement of comprehensive income, Consolidated statement of financial position and Consolidated cash flow statement is shown on the following pages.



Reconciliation of Investment basis and IFRS continued

Reconciliation of consolidated statement of comprehensive income for the year to 31 March

	Footnotes	Investment basis 2026 £m	IFRS adjustments 2026 £m	IFRS basis 2026 £m	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m
Realised profits/(losses) over value on the disposal of investments	1,2	89	(68)	21	51	(46)	5
Unrealised profits on the revaluation of investments	1,2	4,166	(1,170)	2,996	4,839	(1,027)	3,812
Fair value movements on investment entity subsidiaries	1	–	1,565	1,565	–	953	953
Portfolio income							
Dividends	1,2	342	(87)	255	509	(96)	413
Interest income from investment portfolio	1,2	55	(32)	23	81	(52)	29
Fees receivable	1,2	3	3	6	10	3	13
Foreign exchange on investments	1,3	823	(179)	644	(361)	116	(245)
Movement in the fair value of derivatives		(14)	–	(14)	82	–	82
Gross investment return		5,464	32	5,496	5,211	(149)	5,062
Fees receivable from external funds		68	–	68	64	–	64
Operating expenses	1,4	(135)	1	(134)	(150)	1	(149)
Interest receivable	1,4	16	(1)	15	18	(3)	15
Interest payable		(65)	–	(65)	(65)	–	(65)
Exchange movements	1,3	(23)	(99)	(122)	20	57	77
Income from investment entity subsidiaries	1	–	18	18	–	21	21
Other expense	1,4	(1)	–	(1)	–	(1)	(1)
Operating profit before carried interest		5,324	(49)	5,275	5,098	(74)	5,024
Carried interest							
Carried interest and performance fees receivable		23	–	23	29	–	29
Carried interest and performance fees payable	1,4	(46)	41	(5)	(81)	67	(14)
Operating profit before tax		5,301	(8)	5,293	5,046	(7)	5,039
Tax credit/(charge)		1	–	1	(1)	–	(1)
Profit for the year		5,302	(8)	5,294	5,045	(7)	5,038
Other comprehensive income							
Exchange differences on translation of foreign operations	1,3	–	8	8	–	7	7
Re-measurements of defined benefit plans		2	–	2	4	–	4
Other comprehensive income for the year		2	8	10	4	7	11
Total comprehensive income for the year ("Total return")		5,304	–	5,304	5,049	–	5,049

Footnotes to the Reconciliation of consolidated statement of comprehensive income are on page 91.

Reconciliation of Investment basis and IFRS continued

Reconciliation of consolidated statement of financial position as at 31 March

	Footnotes	Investment basis 2026 £m	IFRS adjustments 2026 £m	IFRS basis 2026 £m	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m
Assets							
Non-current assets							
Investments							
Quoted investments	1	993	(96)	897	916	(60)	856
Unquoted investments	1	30,828	(10,775)	20,053	24,663	(7,163)	17,500
Investments in investment entity subsidiaries	1,2	–	10,535	10,535	–	6,916	6,916
Investment portfolio		31,821	(336)	31,485	25,579	(307)	25,272
Other non-current assets	1	27	(5)	22	35	(6)	29
Retirement benefit surplus		–	–	–	63	–	63
Property, plant and equipment		17	–	17	18	–	18
Right of use asset		43	–	43	41	–	41
Derivative financial instruments		10	–	10	46	–	46
Total non-current assets		31,918	(341)	31,577	25,782	(313)	25,469
Current assets							
Carried interest and performance fees receivable		24	–	24	33	–	33
Other current assets	1	65	(5)	60	51	–	51
Derivative financial instruments		42	–	42	91	–	91
Cash and cash equivalents	1	664	(29)	635	423	(11)	412
Total current assets		795	(34)	761	598	(11)	587
Total assets		32,713	(375)	32,338	26,380	(324)	26,056
Liabilities							
Non-current liabilities							
Trade and other payables	1	(11)	2	(9)	(10)	1	(9)
Carried interest and performance fees payable	1	(396)	365	(31)	(333)	304	(29)
Loans and borrowings		(1,211)	–	(1,211)	(1,194)	–	(1,194)
Derivative financial instruments		(22)	–	(22)	(4)	–	(4)
Retirement benefit deficit		(17)	–	(17)	(17)	–	(17)
Lease liability		(45)	–	(45)	(42)	–	(42)
Total non-current liabilities		(1,702)	367	(1,335)	(1,600)	305	(1,295)
Current liabilities							
Trade and other payables	1	(107)	–	(107)	(139)	4	(135)
Carried interest and performance fees payable	1	(12)	8	(4)	(27)	15	(12)
Lease liability		(5)	–	(5)	(3)	–	(3)
Total current liabilities		(124)	8	(116)	(169)	19	(150)
Total liabilities		(1,826)	375	(1,451)	(1,769)	324	(1,445)
Net assets		30,887	–	30,887	24,611	–	24,611

Reconciliation of Investment basis and IFRS continued

Reconciliation of consolidated statement of financial position as at 31 March

	Footnotes	Investment basis 2026 £m	IFRS adjustments 2026 £m	IFRS basis 2026 £m	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m
Equity							
Issued capital		757	–	757	719	–	719
Share premium		2,494	–	2,494	792	–	792
Other reserves	3	27,714	–	27,714	23,181	–	23,181
Own shares		(78)	–	(78)	(81)	–	(81)
Total equity		30,887	–	30,887	24,611	–	24,611

The IFRS basis is audited and the Investment basis is unaudited.

Footnotes to the Reconciliation of consolidated statement of financial position above:

- Applying IFRS 10 to the Consolidated statement of financial position aggregates the line items into the single line item "Investments in investment entity subsidiaries". In the Investment basis we have disaggregated these items to analyse our net assets as if the Investment entity subsidiaries were consolidated. The adjustment reclassifies items in the Consolidated statement of financial position. There is no change to the net assets, although for reasons explained below, gross assets and gross liabilities are different. The disclosure relating to portfolio companies is significantly reduced by the aggregation, as the fair value of all investments held by Investment entity subsidiaries is aggregated into the "Investments in investment entity subsidiaries" line. We have disaggregated this fair value and disclosed the underlying portfolio holding in the relevant line item, ie, quoted investments or unquoted investments. Other items which may be aggregated include carried interest, other assets and other payables, and the Investment basis presentation again disaggregates these items.
- Intercompany balances between Investment entity subsidiaries and trading subsidiaries also impact the transparency of our results under the IFRS basis. If an Investment entity subsidiary has an intercompany balance with a consolidated trading subsidiary of the Group, then the asset or liability of the Investment entity subsidiary will be aggregated into its fair value, while the asset or liability of the consolidated trading subsidiary will be disclosed as an asset or liability in the Consolidated statement of financial position for the Group.
- Investment basis financial statements are prepared for performance measurement and therefore reserves are not analysed separately under this basis.

The IFRS basis is audited and the Investment basis is unaudited.

Footnotes to the Reconciliation of consolidated statement of comprehensive income on page 89:

- Applying IFRS 10 to the Consolidated statement of comprehensive income consolidates the line items of a number of previously consolidated subsidiaries into a single line item "Fair value movements on investment entity subsidiaries". In the "Investment basis" accounts we have disaggregated these line items to analyse our total return as if these Investment entity subsidiaries were fully consolidated, consistent with prior years. The adjustments simply reclassify the Consolidated statement of comprehensive income of the Group, and the total return is equal under the Investment basis and the IFRS basis.
- Realised profits, unrealised profits and portfolio income shown in the IFRS accounts only relate to portfolio companies that are held directly by 3i Group plc and not those portfolio companies held through Investment entity subsidiaries. Realised profits, unrealised profits and portfolio income in relation to portfolio companies held through Investment entity subsidiaries are aggregated into the single "Fair value movement on investment entity subsidiaries" line. This is the most significant reduction of information in our IFRS accounts.
- Foreign exchange movements have been reclassified under the Investment basis as foreign currency asset and liability movements. Movements within the Investment entity subsidiaries are included within "Fair value movements on investment entities".
- Other items also aggregated into the "Fair value movements on investment entity subsidiaries" line include operating expenses, interest receivable, other expense and carried interest and performance fees payable.

The IFRS basis is audited and the Investment basis is unaudited.

Footnotes to the Reconciliation of consolidated cash flow statement on page 92:

- The Consolidated cash flow statement is impacted by the application of IFRS 10 as cash flows to and from Investment entity subsidiaries are disclosed, rather than the cash flows to and from the underlying portfolio. Therefore in our Investment basis financial statements, we have disclosed our cash flow statement on a "look through" basis, in order to reflect the underlying sources and uses of cash flows and disclose the underlying investment activity.
- There is a difference between the change in cash and cash equivalents of the Investment basis financial statements and the IFRS financial statements because there are cash balances held in Investment entity subsidiaries. Cash held within Investment entity subsidiaries will not be shown in the IFRS statements but will be seen in the Investment basis statements.

Reconciliation of Investment basis and IFRS continued

Reconciliation of consolidated cash flow statement for the year to 31 March

	Footnotes	Investment basis 2026 £m	IFRS adjustments 2026 £m	IFRS basis 2026 £m	Investment basis 2025 £m	IFRS adjustments 2025 £m	IFRS basis 2025 £m
Cash flow from operating activities							
Purchase of investments	1	(907)	839	(68)	(1,182)	1,032	(150)
Proceeds from investments	1	1,517	(664)	853	1,841	(734)	1,107
Amounts paid to investment entity subsidiaries	1	–	(1,072)	(1,072)	–	(1,537)	(1,537)
Amounts received from investment entity subsidiaries	1	–	972	972	–	865	865
Cash flow from derivatives		89	–	89	113	–	113
Portfolio interest received	1	19	(13)	6	11	(5)	6
Portfolio dividends received	1	334	(81)	253	515	(95)	420
Portfolio fees received		4	–	4	7	–	7
Fees received from external funds		64	–	64	65	–	65
Carried interest and performance fees received		31	–	31	44	–	44
Carried interest and performance fees paid	1	(15)	1	(14)	(521)	498	(23)
Operating expenses paid	1	(140)	–	(140)	(123)	1	(122)
Other cash income	1	7	(1)	6	1	–	1
Other cash expenses	1	(1)	–	(1)	(54)	6	(48)
Interest received	1	15	–	15	18	(3)	15
Net cash flow from operating activities		1,017	(19)	998	735	28	763
Cash flow from financing activities							
Issue of shares		1	–	1	1	–	1
Purchase of own shares		(15)	–	(15)	–	–	–
Dividends paid		(765)	–	(765)	(625)	–	(625)
Lease payments		(5)	–	(5)	(6)	–	(6)
Interest paid		(66)	–	(66)	(60)	–	(60)
Net cash flow from financing activities		(850)	–	(850)	(690)	–	(690)
Cash flow from investing activities							
Purchase of property, plant and equipment		(1)	–	(1)	(16)	–	(16)
Proceeds from defined benefit pension		65	–	65	–	–	–
Net cash flow from investing activities		64	–	64	(16)	–	(16)
Change in cash and cash equivalents	2	231	(19)	212	29	28	57
Cash and cash equivalents at the start of year	2	423	(11)	412	396	(38)	358
Effect of exchange rate fluctuations	1	10	1	11	(2)	(1)	(3)
Cash and cash equivalents at the end of year	2	664	(29)	635	423	(11)	412

Footnotes to the Reconciliation of consolidated cash flow statement are on page 91.

Alternative Performance Measures (“APMs”)

We assess our performance using a variety of measures that are not specifically defined under IFRS and are therefore termed APMs. The APMs that we use may not be directly comparable with those used by other companies. Our Investment basis is itself an APM. The explanation of and rationale for the Investment basis and its reconciliation to IFRS is provided on page 88. The table below defines our additional APMs.

Purpose	Calculation	Reconciliation to IFRS	Purpose	Calculation	Reconciliation to IFRS
Gross investment return as a percentage of opening portfolio value			Operating cash profit		
A measure of the performance of our proprietary investment portfolio.	It is calculated as the gross investment return, as shown in the Investment basis Consolidated statement of comprehensive income, as a % of the opening portfolio value.	The equivalent balances under IFRS and the reconciliation to the Investment basis are shown in the Reconciliation of the consolidated statement of comprehensive income and the Reconciliation of the consolidated statement of financial position respectively. ➤ KPI see page 22	By covering the cash cost of running the business with cash income, we reduce the potential dilution of capital returns.	The cash income from the portfolio (interest, dividends and fees) together with fees received from external funds less cash operating expenses and leases payments as shown on the Investment basis Consolidated cash flow statement. The calculation is shown in Table 9 of the Financial review.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. ➤ KPI see page 23
Cash realisations			Net (debt)/cash		
Cash proceeds from our investments support our returns to shareholders, as well as our ability to invest in new opportunities.	The cash received from the disposal of investments in the year as shown in the Investment basis Consolidated cash flow statement.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. ➤ KPI see page 22	A measure of the available cash to invest in the business and an indicator of the financial risk in the Group’s balance sheet.	Cash and cash equivalents plus deposits less loans and borrowings as shown on the Investment basis Consolidated statement of financial position.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated statement of financial position.
Cash investment			Gearing		
Identifying new opportunities in which to invest proprietary capital is the primary driver of the Group’s ability to deliver attractive returns.	The cash paid to acquire investments in the year as shown on the Investment basis Consolidated cash flow statement.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated cash flow statement. ➤ KPI see page 23	A measure of the financial risk in the Group’s balance sheet.	Net debt (as defined above) as a % of the Group’s net assets under the Investment basis. It cannot be less than zero.	The equivalent balance under IFRS and the reconciliation to the Investment basis is shown in the Reconciliation of the consolidated statement of financial position.

Risk management

Effective risk management underpins the successful delivery of our strategy and longer-term sustainability of the business. Our values and culture are integral to our approach to risk management.

Understanding our risk appetite

As both an investor and asset manager, 3i is in the business of taking risks in order to achieve targeted returns for shareholders and other investors. The Board approves the strategic objectives that determine the level and types of risk the Group is prepared to accept and reviews the Group’s risk appetite at least annually.

The Group’s risk management framework is designed to support the delivery of strategic objectives and the long-term sustainability of the business and its investment portfolio, within agreed risk appetite parameters. The Group’s risk appetite (see page 96) is underpinned by rigorous investment procedures, conservative capital management and a robust operational risk management and resilience framework.

Values and culture

Strong values and a well-established culture underpin our approach to risk management and governance, led by the Board and Chief Executive. This is supported by a comprehensive code of conduct, policy framework, and independent monitoring.

Executive Committee members are responsible for ensuring high standards of conduct within their respective areas, and all employees share responsibility for maintaining 3i’s strong control culture. Senior managers confirm annual compliance for their teams, while all staff are required to comply with regulatory conduct rules, complete an annual verification questionnaire and demonstrate 3i’s values as part of their performance appraisal. Global policies are reinforced through annual e-learning covering financial crime, anti-bribery and corruption, market abuse, tax evasion, data protection and regulatory conduct.

The Remuneration Committee ensures that the Group’s remuneration policy supports 3i’s culture and values, is appropriately performance-linked and does not encourage excessive risk-taking. Incentive structures for investment teams are specifically designed to align reward with investment objectives and the Group’s risk appetite.

Approach to risk governance

The Board is responsible for risk assessment, the risk management process and safeguarding the Group’s reputation and long-term sustainability. It considers current, emerging and longer-term risks using quantitative and qualitative information, including financial and non-financial performance indicators and liquidity reporting.

Oversight is exercised primarily through the Audit and Compliance Committee, which monitors the effectiveness of the Group’s risk management and internal control systems (see pages 130 to 136). Day-to-day risk oversight is delegated to the Chief Executive, supported by the Group Risk Committee.

Related risk management activities

The Group’s integrated risk management framework (see page 95) is supported by an independent Risk Management function, which has specific responsibilities under the FCA’s Investment Funds sourcebook and operates separately from the investment teams. The function reviews risk reports for each Alternative Investment Fund managed by the Group and reports its findings to the Group Risk Committee.

The Group operates a ‘three lines of defence model’ to support effective risk management and internal control:

- First line: business line management and professional services teams own and manage risks;
- Second line: Compliance and other control functions provide independent oversight and challenge, supported by the Group Risk Committee; and
- Third line: Internal Audit provides independent assurance on the effectiveness of the risk management framework and internal controls.

Integrated approach to risk management

3i’s approach to risk management consists of a number of interrelated processes, illustrated on page 95, the operation of which is overseen by the Board and a combination of the Investment Committee, Executive Committee, Group Risk Committee and Sustainability Committee.

Role of the Investment Committee IC

The Investment Committee is fundamental to the management of investment risk. It approves all material stages of the investment, portfolio management and realisation process, ensuring alignment with the Group’s strategic objectives and risk appetite. The Committee considers new and emerging risks and opportunities, including sustainability, reputational and market developments, and oversees ongoing portfolio monitoring, and semi-annual in-depth portfolio company reviews, portfolio leverage and counterparty risk management, and exit planning.

Role of the Group Risk Committee GRC

The Group Risk Committee supports the Chief Executive in overseeing risk management on a day-to-day basis. It conducts semi-annual reviews of the Group’s principal, watchlist and emerging risks, assesses their potential impact and likelihood in the context of the Group’s strategic objectives and risk appetite, and reviews the adequacy of mitigating actions and key risk indicators. The Committee also monitors operational risk incidents and near misses, applying a low reporting threshold, and reports its conclusions to the Audit and Compliance Committee.

Role of the Sustainability Committee SC

The Sustainability Committee provides advice on the development and implementation of the Group’s sustainability strategy and the identification and management of sustainability-related risks and opportunities. It supports regulatory and reporting obligations and coordinates sustainability initiatives across the Group and its portfolio. Updates on its activities are provided to the Group Risk Committee as part of the risk review process.

Integrated risk management framework see page 95

Risk management continued

Integrated approach to risk management

Risk management is overseen by the Board ^B and a combination of the Investment Committee ^{IC}, Group Risk Committee ^{GRC}, and Sustainability Committee ^{SC}



Risk management continued

Risk appetite

Our risk appetite is defined by our strategic objectives. We invest capital in businesses to deliver capital returns, and portfolio and fund management cash income to cover our costs and increase returns to our investors. As proprietary capital investors, we have a long-term, responsible approach.

Investment risk

Exposure to economic and market volatility is accepted as inherent in investment activity. The Group's principal investment risks are managed within a framework defined by the Investment Policy (see page 170).

Increases in the Company's stake in Action, particularly since 2020, have raised its proportion of the total portfolio, reducing headroom under the single-asset exposure limit.

In March 2026, the Board agreed to seek shareholder approval at the 2026 AGM to increase this limit, providing greater flexibility for future investments.

The substantial majority of the Group's capital is invested in its long-term hold portfolio (Action and Royal Sanders) and in Private Equity. Before committing to a Private Equity investment, the Group assesses the opportunity using the following criteria:

- return objective: individually assessed and subject to a minimum target of a 2x money multiple over four to six years;
- geographic focus: headquartered in the Group's core markets of Europe and North America;
- sector expertise: focus on Consumer & Private Label, Healthcare, Industrial, Services & Software;
- responsible investment: all investments are screened against the exclusion and referral lists set out in the Group's Responsible Investment policy; and

- vintage: investment of up to £750 million per annum in four to seven new investments in companies with an enterprise value range of €100 million to €500 million at investment.

If a Private Equity portfolio company exhibits strong compounding characteristics, is cash generative with an EBITDA of c.€/\$100 million, and can continue to meet a 15% return hurdle, the Group may conclude that it is in the interest of shareholders, and consistent with our strategic objectives to hold an investment for a longer period of time.

Investments made by 3iN need to be consistent with 3iN's overall return target of 8% to 10% over the medium term and generate a mix of capital and income returns. Other Infrastructure investments made by the Group should be capable of delivering capital growth and fund management fees which together generate mid-teen returns. All Infrastructure investments are also subject to the criteria set out in the Group's Responsible Investment policy.

Financial risk

The Group adopts a conservative approach to managing its capital resources:

- the Group aims to operate within a range of net cash equivalent to c.2.5% of NAV and a level of net debt equivalent to c.5% of NAV, with tolerance to operate outside of this range on a short-term basis and up to a gearing level of 15% dependent on investment and realisation flows. The Group may raise debt, or use other financing from time to time, to manage investment and realisation flows. The Group has no appetite for structural gearing; the achievement of its returns objectives is not reliant on gearing;
- liquidity is managed conservatively, including the maintenance of a revolving credit facility to provide additional committed liquidity and financial flexibility, and monitoring using a framework that assesses forecast cash flows and a broader range of factors;

- the Group accepts a degree of currency exposure risk with respect to its investment portfolio, but aims to partially reduce the impact of currency movements on net asset value through a combination of matching currency realisations with investments and the use of euro and US dollar foreign exchange hedging programmes, taking into account the associated costs and liquidity risks;
- in addition, the Group may hedge specific assets or exposures where appropriate; for example, in relation to currency exposures on Scandlines (€600 million hedging programme); and
- the Group has limited appetite for the dilution of capital returns arising from operating and interest expenses. All business lines are expected to generate cash income to mitigate this risk.

Operational risk

The Board and Executive Committee have a low appetite for operational risk and very limited tolerance for operational failures arising from inadequate or failed processes, people or systems that could result in material business disruption, data loss, cyber security incidents, regulatory or legal breaches, or undue reliance on key third-party providers. While some operational risk is inherent in the delivery of the Group's strategic objectives, the Board expects such risks to be effectively identified, controlled and subject to escalation where tolerance thresholds are approached or breached.

The Board recognises the Group's increasing reliance on third-party service providers, technology platforms and tools heightens operational risk. Accordingly, enhanced oversight arrangements are in place, including resilience testing, third-party risk assessment and ongoing monitoring, to ensure the continued robustness of the Group's operating model.

Principal risks and mitigations

Aligning risk to our strategic objectives

Business and risk environment in FY2026

We define our principal risks as those that have the potential to impact materially the delivery of our strategic objectives.

During the year, the Directors undertook a robust assessment of the principal, new and emerging risks, facing the Group, including those that could threaten its business model, future performance, solvency or liquidity, as detailed in the Audit and Compliance Committee report on pages 130 to 136. This included refining the Group’s risk taxonomy, strengthening the identification of material controls and clarifying ownership, thereby enhancing oversight of internal control effectiveness and supporting preparations for Provision 29 of the Financial Reporting Council’s UK Corporate Governance Code 2024.

This section summarises the Group’s principal and emerging risks and the key issues considered as part of the risk assessment process. While the overall principal risk profile remained broadly stable during the year, a number of principal risks were refined and the nature of individual risks evolved. The main changes agreed by the Group Risk Committee were:

- external geopolitical, macroeconomic, inflationary and policy-related risks were consolidated into a single principal risk: Economic and other global uncertainty (market volatility), to reflect their interconnected and interdependent nature. For the reasons noted under External risk, this risk is expected to remain elevated in the short to medium term;

- transaction execution challenges was removed as a standalone risk, as it is considered inherent within another existing principal investment risk: Lower investment or realisation rates; and
- three existing risks were promoted to principal risk status: (i) Regulatory, legal, tax and compliance, reflecting the importance of maintaining 3i’s licence to operate in a changing regulatory environment; and (ii) Liquidity and funding and (iii) Foreign exchange, reflecting the importance of balance sheet resilience.

The Group’s principal risk mitigation plans, which are subject to regular review by the Group Risk Committee, have not required any notable changes during the year.

External risk

External risks arise from factors outside our direct control, including political, economic, environmental, social, regulatory and competitive developments.

Global conditions remained challenging during the year, with persistent inflation, higher interest rates, relatively tight credit markets, periods of currency volatility, and heightened geopolitical tensions. While the impact on the portfolio has been limited to date, these conditions have increased market volatility, and may place pressure on demand and cost bases, as well as affect refinancing and investment activity.

The Group Risk Committee considered how these risks could influence the geographies and sectors in which the Group operates, including supply chain resilience, energy and other input costs, and the deal environment. Portfolio resilience continues to be supported by disciplined management and diversification.

Market volatility, and valuation risk in particular, is mitigated through the Group’s valuation framework, including independent challenge by the Valuation Committee, which reviews key assumptions such as earnings and valuation multiples (see page 143). The Group Risk Committee and the Board have closely monitored the gap between the Group’s share price and its Net Asset Value over the past six months, and have implemented strategies to remain responsive to market conditions and shareholder expectations.

The Group continues to assess its resilience to severe but plausible scenarios, including sustained declines in valuation multiples, earnings compression and reduced exit activity. These stress tests inform capital allocation, liquidity planning and cost discipline (with further details in the Viability statement on page 139 and 140).

Sustainability and climate-related considerations remain embedded within the risk management framework.

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Investment risk

The Investment Committee oversees the management of investment risks, with the Group Risk Committee reviewing outcomes against the Group's risk appetite and strategic objectives. The core investment strategy remains unchanged, with delivery continuing to evolve through refinements to approach, resourcing and processes.

The Group Risk Committee regularly reviews Action's performance and concluded that no change to its risk assessment was required, supported by the company's strong cash generation, continued store roll out, and consistent revenue growth despite macroeconomic headwinds. Performance risk across the broader portfolio remained stable, supported by positive contributions from the consumer and private label businesses and a broadly favourable trajectory in the healthcare assets. The majority of the infrastructure portfolio continue to deliver growth and demonstrate good momentum, with resilient trading across industrial, services and software businesses. Portfolio performance continues to benefit from diversification, disciplined investment and exit planning, and proactive cost-mitigation measures.

While overall M&A activity in the market increased in FY2026, liquidity constraints persist and heightened geopolitical and macro-economic uncertainty is expected to continue to affect investment activity. A disciplined and selective investment approach therefore remains appropriate.

Notwithstanding this backdrop, the Group delivered several successful exits across the portfolio and maintains a modest investment pipeline. The Investment Committee remained cautious, declining opportunities that did not meet the Group's pricing and risk-return criteria, with new investment focused on reinvestment in high performing portfolio companies.

The Group Risk Committee received regular updates on sustainability progress, including emissions reporting and near-term science-based targets. While sustainability risk remains under close review, the overall risk profile has moderated slightly, reflecting evolving regulatory developments across the US and Europe, together with good progress in portfolio initiatives (see the Sustainability report on page 49).

Foreign exchange and interest rate exposures continue to be managed by portfolio companies through the use of hedging where appropriate, to mitigate volatility.

In FY2026, the Group's cyber maturity programme was extended across the investment portfolio, enhancing the identification, management and mitigation of cyber risk within portfolio companies.

Financial risk

The Group maintains a conservative approach to capital management and operated within the limits set out in its Risk appetite (page 96) and Treasury policy approved by the Board. This includes a comprehensive liquidity and foreign currency risk monitoring framework.

Liquidity and funding risk has remained stable, supported by the refinancing of the Group's £900 million RCF with a new five-year £1.2 billion facility on improved terms, and increased liquidity (£1,864 million at 31 March 2026 compared to £1,323 million at 31 March 2025). The Group's long-term issuer credit ratings were reaffirmed by S&P (A-) and Moody's (A3), both with stable outlooks.

The Group accepts a degree of currency risk exposure with respect to its investment portfolio and manages notional forward exchange contracts of €3.0 billion and \$1.2 billion to partially reduce the impact of current movements. In FY2026, foreign exchange risk remained stable, with the Group reporting a net translation gain post hedging of £786 million for the year, reflecting sterling weakening by 4% against the euro and strengthening by 3% against the US dollar.

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Operational risk

The Group's operational risk profile remained stable. Attracting and retaining key people continues to be a principal risk given competitive labour markets for skilled professionals, although voluntary turnover remained modest at 4.5% in FY2026. Remuneration structures remain aligned with effective risk management and long-term value creation.

The Group Risk Committee also received updates on IT security and operational resilience. Systems operated robustly during the year, supported by external service providers, with no significant performance or security issues. Ongoing investment in technology, cyber security and operational resilience is supported by specialist internal and external expertise, including a full time Chief Information Security Officer.

Business continuity, incident management and disaster recovery plans are reviewed at least annually and include severe but plausible disruption scenarios, including third-party risks. Fraud risk continues to be monitored through a robust anti-fraud programme, Internal Audit activity, staff training and an independent reporting hotline. The cyber security programme also mitigates third-party fraud risks, including ransomware and phishing attempts, through security tools and regular vulnerability testing.

New and emerging risks

The Group identifies and monitors new and emerging risks through thematic reviews, semi-annual Group Risk Committee reviews, a maintained watch list for risks requiring active monitoring but not currently assessed as principal, and an emerging risk map providing horizon scanning of medium-to longer-term potential disruptors. Ongoing monitoring is also undertaken by specialist teams across tax, legal, regulatory compliance and sustainability.

Current thematic focus areas for investment (page 18 and 19) include value-for-money; energy transition, digitalisation and demographic change. In addition, the Group continues to monitor a number of emerging risk themes and potential disruptors, including artificial intelligence and information integrity, changing consumer sentiment, and geopolitical and macroeconomic factors. These themes inform strategy development, investment decision-making and risk management, while supporting the identification of long-term opportunities.

The Board's annual strategic review incorporates an assessment of emerging risks and informs the Group's viability and long-term resilience assessment (pages 139 and 140). Sustainability risks are fully integrated into theme development and due diligence. Legislative and reporting developments are closely monitored, opportunities are screened at an early stage against the Responsible Investment Policy, and sustainability risks are actively monitored post-investment.

Outlook

The macroeconomic outlook remains uncertain. Lower growth, elevated geopolitical tensions and tighter financing conditions continue to drive market volatility. While inflation began to ease, renewed supply chain disruption risks in the Middle East could place upward pressure on prices. Interest rates remain relatively high and credit conditions are selective.

Against this backdrop, the Group's business model, disciplined investment approach, active portfolio management and diversified portfolio continue to support performance. Conservative capital management and focus on resilient sectors, together with significant exposure to Action, provide meaningful downside protection.

The Group remains closely engaged with portfolio companies and continues to invest selectively, prioritising opportunities with strong fundamentals and value creation potential, while maintaining strict discipline on pricing and capital deployment. This positions the Group well to deploy capital prudently as market conditions evolve.

For the purposes of the UK Companies Act 2006, the Strategic report of 3i Group plc comprises pages 3 to 104.

By order of the Board
Simon Borrows
Chief Executive
13 May 2026

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

The disclosures on the following pages are not an exhaustive list of risks and uncertainties faced by the Group, but rather a summary of the principal risks which are regularly reviewed by the Group Risk Committee and the Board, and have the potential to affect materially the achievement of the Group’s strategic objectives and impact its financial performance, reputation and brand integrity.

Grow investment portfolio earnings	Realise investments with good cash-to-cash returns	Maintain an operating cash profit	Use our strong balance sheet	Increase shareholder distributions
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Economic and other global uncertainty (market volatility)

Global economic and other uncertainties could make equity and credit markets more volatile, raise costs, limit access to debt financing, and have a negative impact on the business and investment portfolio valuation.

External	Link to strategic objectives		Movement in risk status in FY2026 Risk exposure has increased	
<p>Potential impact</p> <ul style="list-style-type: none"> • Market disruption • Higher costs • Reduced realisation and investment potential • Adverse valuation multiples • Reduced Net Asset Value (“NAV”) 	<p>Risk management and mitigation</p> <ul style="list-style-type: none"> • Ongoing macro monitoring • Scenario planning and stress testing • Resilient portfolio construction • Disciplined valuation policy • Valuations Committee oversight • Advisor network 	<p>FY2026 outcome</p> <ul style="list-style-type: none"> • Market risk remained elevated, reflecting heightened geopolitical uncertainty and volatility across key markets • Despite this backdrop, the Group delivered strong performance, with a 21% Group GIR, £4,166 million of unrealised value growth and 19% increase in NAV per share 		

Performance of Action

The materiality of the Group’s investment in Action increases the potential impact should Action fail to meet shareholder expectations.

Investment	Link to strategic objectives		Movement in risk status in FY2026 Risk exposure is stable	
<p>Potential impact</p> <ul style="list-style-type: none"> • Reduced NAV • Lower realisation potential and shareholder returns • Reputational impact • Set back specific strategic initiatives • Lower long-term returns 	<p>Risk management and mitigation</p> <ul style="list-style-type: none"> • Monthly trading performance reviews • Semi-annual strategic and performance review • Additional asset monitoring and reporting • Enhanced governance (3i CEO is Action Chair, 3i Chief Operating Officer board role) • Incident escalation and oversight, with sharing of best practices and insights (including cyber) 	<p>FY2026 outcome</p> <ul style="list-style-type: none"> • Close monitoring of Action, with regular performance updates to the 3i Board • Strong cash flow, continued store rollout and consistent revenue growth despite macroeconomic headwinds; Action GIR of £4,510 million or 25% of its opening value • See Action case study on page 26 to 33 		

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Performance of portfolio companies (ex-Action)

The performance of the investment portfolio (excluding Action) may fail to meet shareholder expectations.

Investment

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Reduced NAV
- Lower realisation potential and shareholder returns
- Reputational impact
- Set back specific strategic initiatives
- Lower long-term returns

Risk management and mitigation

- Monthly trading performance reviews
- Semi-annual strategic and investment performance reviews
- Regular review of team resourcing and key person risk, including active management of portfolio company Chair, CEO and CFO appointments
- Incident escalation and oversight, with sharing of best practices and insights (including cyber risk leadership)

FY2026 outcome

- Performance remained strong overall, with standout contributions from Royal Sanders and resilient portfolio performance, supported by continued earnings growth
- Private Equity portfolio (ex-Action) delivered a GIR of 14%, the Infrastructure portfolio 7%, and Scandlines 10%
- Limited exposure to software and to risks from the evolving AI landscape; the Group's cyber maturity programme was extended across the portfolio in FY2026, and while the number of reported portfolio cyber incidents increased, none were material

Lower investment or realisation rates

Lack of suitable investment opportunities or realisations and refinancings that could impact longer-term returns and the ability to meet the Group's strategic objectives.

Investment

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Lower longer-term returns and capital availability
- Reduced staff morale
- Reputational impact

Risk management and mitigation

- Investment and divestment pipeline monitoring
- Early Investment Committee engagement
- Disciplined approach to sourcing and pricing
- Asset allocation reviews
- Focus on bolt-on opportunities

FY2026 outcome

- Cash proceeds of £1,517million, including £944 million from Action's capital restructuring and £529 million from the sale of MPM (3.2x money multiple) and MAIT (2.8x)
- The Investment Committee maintained a cautious stance, declining opportunities where pricing and risk-return did not meet the Group's requirements
- £2,646 million invested, focussed on reinvestment in several of the strongest assets in the portfolio

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Portfolio sustainability risk profile/performance

Poor or insufficient management of sustainability risks or adverse developments that may impact 3i's reputation and or ability to meet external reporting obligations or published targets.

Investment

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure has decreased



Potential impact

- Reduced NAV
- Lower realisation potential and shareholder returns
- Reduced ability to meet external reporting obligations or published targets
- Reputational impact

Risk management and mitigation

- Investment Committee, Group Risk Committee and Sustainability Committee involvement with Board oversight
- Responsible Investment policy
- Structured sustainability risk identification
- Incident response planning
- Limited exposure to more challenging geographies and higher risk sectors
- Dedicated sustainability resources

FY2026 outcome

- While sustainability risk and performance remains under close review, the overall risk level has reduced slightly, reflecting evolving regulatory developments across the US and Europe
- Integrated approach and ongoing refinement of sustainability risk assessment procedures
- Good progress has been made on individual and portfolio-wide sustainability initiatives (see the Sustainability report on page 49 for further details)

Ability to recruit, develop and retain key people

The Group is unable to attract, develop and retain people with the right skills to achieve the Group's strategic objectives, or to manage the operations of the Group with due skill and diligence.

Operational

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Delivery risk to key performance objectives
- Delay in execution of strategy
- Lower shareholder returns

Risk management and mitigation

- Remuneration Committee oversight and approval of all material incentive arrangements
- Annual Board review of succession planning
- Regular resourcing and key man exposure reviews
- Robust HR policies and procedures
- Ongoing performance management

FY2026 outcome

- Organisational capability and succession planning reviewed by the Board in September 2025
- Effective talent management, supported by ongoing training and development (see page 62 for further details on people and related initiatives)
- Voluntary attrition remaining low at 4.5%, within benchmarked thresholds

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Cyber risk

Disruption to core operations or at key third-party suppliers, with potential data loss or compromise from cyber threats, IT vulnerabilities, or system failures.

Operational

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Operational disruption
- Loss, theft, or compromise of sensitive data
- Regulatory and reputation consequences
- Financial loss and remediation cost

Risk management and mitigation

- Information security policies and incident management processes
- Regular cyber risk and KPI monitoring
- Penetration testing
- CISO oversight
- Staff training and “ethical” phishing campaigns
- Due diligence of new technology and tools

FY2026 outcome

- Regular updates to the GRC on cyber security, IT and operational resilience, including business continuity, incident management, and third-party supplier risk
- Ongoing enhancements to cyber and IT controls, and refinements made to third-party risk management
- NIST cyber security review completed, with actions implemented
- No material cyber incidents or IT outages reported across the Group’s operations or at key third parties

Regulatory, legal, tax and compliance

Inadequate internal processes for monitoring and managing regulations or failing to manage the Group’s legal affairs in a way that sufficiently protects it, or a failure to adhere to tax requirements.

Operational

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Financial and reporting impact
- Increased taxation, impacting valuation and share price
- Misunderstood or misreported outputs
- Failure to meet requirements
- Reputational damage and/or sanction

Risk management and mitigation

- Ongoing monitoring of key variables to ensure compliance with corporation tax acts and preservation of 3i Group investment trust status
- Regular compliance and risk reviews, tax and legal updates reported to the Group Risk Committee and Board

FY2026 outcome

- Evolving regimes are closely monitored, with regular updates provided to the Group Risk Committee and the Audit and Compliance Committee
- No regulatory breaches were recorded during the year
- 3i Investment Trust status was maintained

Principal risks and mitigations continued

Aligning risk to our strategic objectives continued

Liquidity and funding

Insufficient liquidity and funding at the Group level to meet both liabilities as they become due and to fund investment opportunities.

Financial

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Missed investment opportunities
- Reduced NAV
- Lower shareholder returns
- Reputational damage

Risk management and mitigation

- Regular liquidity monitoring
- Balance sheet reviews
- Active exit management

FY2026 outcome

- During the year, the Group refinanced its existing £900 million RCF with a new five-year £1.2 billion facility at improved pricing
- Low leverage and Group liquidity of £1,864 million at 31 March 2026 (31 March 2025: £1,323 million)

Foreign exchange

Fluctuations in currency exchange rates adversely affect the value of the portfolio, investment and realisation currency flows, and Group income and expenses.

Financial

[Link to strategic objectives](#)



Movement in risk status in FY2026
Risk exposure is stable



Potential impact

- Unhedged foreign exchange rate movements impact total return and NAV
- Increases exit risk and financing risks

Risk management and mitigation

- Regular currency risk monitoring
- Strategic review of Group foreign currency exposures
- Foreign exchange hedging programmes
- Management of investment and realisation currency flows

FY2026 outcome

- The Group manages notional forward exchange contracts of €3.0 billion and \$1.2 billion to partially reduce the impact of currency movements on NAV
- Sterling weakened by 4% against the euro and strengthened by 3% against the US dollar during the year, resulting in a total foreign exchange translation gain of £786 million (31 March 2025: £259 million loss)



Governance

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Governance at 3i

The Governance Report sets out the composition and role of the Board, our Board governance framework and the key areas of focus for the Board and Board Committees in 2026.

Board focus areas

- Strategy
- Purpose, culture and values
- Financial performance
- Risk management and internal control
- Portfolio companies
- Governance

Board priorities for FY2027

Strategy

To support the management in delivering the strategic plan

Shareholders

To achieve long-term growth for shareholders

Sustainability

Continue to oversee delivery of the sustainability strategy



We believe that strong governance helps us make good decisions, manage risks effectively and deliver consistent long-term value for our shareholders and wider stakeholders.



David Hutchison
Chair



Corporate governance statement

The Financial Reporting Council's UK Corporate Governance Code 2024 (the "Code") is the standard against which we measured ourselves in FY2026.

The Company complied with all of the provisions set out in the Code throughout the period under review, save for provision 19 of the Code in respect of the Chair's tenure which is discussed on page 107.

Details on how we have applied the principles set out in the Code and how governance operates at 3i have been summarised throughout this Governance section and elsewhere in this Annual report, as set out below. (The Code is available to view on the Financial Reporting Council's website).

Board leadership and Company purpose

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Corporate governance statement

Non-compliance with Provision 19 – Chair tenure

The Board and the Nominations Committee considered the extended tenure of the Chair.

David Hutchison was appointed Chair in November 2021, having previously served as a non-executive Director for eight years bringing his tenure to 12 years. The Company has consciously chosen to not comply with Provision 19 of the Code, which provides that the Chair should not remain in post beyond nine years from first appointment to the Board. The reasoning and explanation for this choice are set out below and on page 128.

The Board considered Mr Hutchison's tenure at the time of his appointment as Chair and continues to do so annually. Mr Hutchison's deep knowledge of the Company, its strategy and portfolio assets, developed over a number of years, including eight years as Chair of the Valuations Committee, together with his broader experience, are important to the effective leadership of the Board. Mr Hutchison also dedicates a significant amount of time to the role, including attending Portfolio Company Reviews and engaging closely with Directors, the executive team and individuals across the business. Appointing a new independent Chair at this time would risk a loss of continuity and company-specific insight in a business where long-term knowledge of assets and disciplined capital allocation are key drivers of value.

The Board recognises the potential risks associated with extended tenure of a Chair, including the possibility of compromised objectivity, inadequate management accountability, and insufficient promotion of constructive challenge among Board members. To mitigate these considerations, the Board has put in place the following safeguards:

- The appointment of a strong and experienced Senior Independent Director, who provides oversight and challenge and leads the annual review of the Chair's performance; and
- The Board undertakes a dedicated annual review of the Chair's role, conducted in his absence, to assess the continued appropriateness of his appointment, and whether he remains, the best choice for the role. Among other criteria, the Board considers leadership, effectiveness in managing Board discussions, engagement with stakeholders and the extent to which open and constructive challenge is encouraged. The results of the 2026 review supported the Chair's continued tenure.

Further detail on the most recent review of the Chair's tenure, including the outcomes of that assessment, is provided in the report from the Senior Independent Director on page 128.

The Board has also engaged with shareholders on this matter and has not received any significant concerns regarding the Chair's continued tenure. The Chair received over 92% of votes cast in favour of his re-election at the 2025 AGM.

No fixed end date has been set for Mr Hutchison's tenure; however, succession planning remains active and the Board will revisit the position annually, taking into account performance, independence, shareholder feedback and the Company's strategic context. In light of the current macroeconomic and geopolitical environment and the Group's strategic priorities, the Board considers that Mr Hutchison is the best person to Chair the Company at this time, and that a change in leadership would risk disrupting execution of the Group's strategy and the effective navigation of current market conditions.

Accordingly, the Board considers that its current approach represents an appropriate and effective governance arrangement in the Company's specific circumstances and supports the long-term success of 3i, and recommends David Hutchison's re-election at the 2026 AGM.

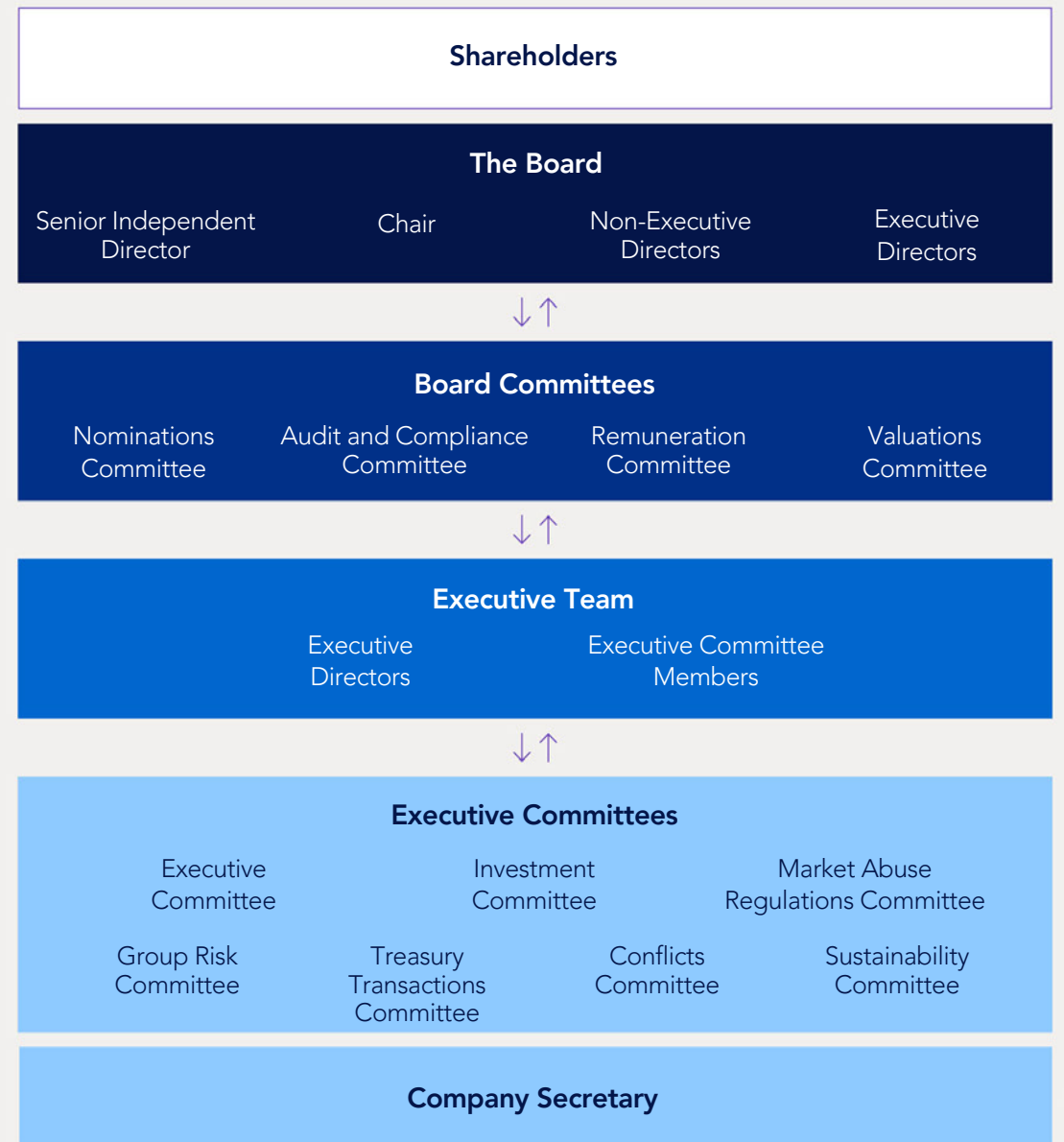
Board leadership and Company purpose

Governance framework

Our governance framework, supported by a clear division of responsibilities, enables the Board to operate effectively, discharge its duties and provide robust oversight. While the Board retains responsibility for certain key matters, day-to-day management of the Group is delegated to the Chief Executive, supported by seven Executive Committees. The Board has established formal Matters Reserved, and each Board Committee operates under defined Terms of Reference, available on our website. A clear distinction is maintained between the leadership of the Board and the executive leadership of the Group. The respective responsibilities of the Chair, the Senior Independent Director and the Chief Executive are approved by the Board and are publicly available at www.3iplc.com/about-us/governance.

Management Committees see pages 71 and 94

Terms of Reference see www.3i.com/about-us/governance/board-committees



Governance framework continued

Board positions and responsibilities

<p>Chair</p> <p>Leads the Board and is responsible for its overall effectiveness in directing the Company. Oversees the Board’s role in setting strategy, monitoring financial and operational performance, and establishing the Group’s risk appetite, while promoting the Company’s purpose, values and culture. Ensures effective Board composition, constructive relationships and that Directors receive timely, accurate information. Also leads the annual Board and Committee performance review process.</p>	<p>Chief Executive</p> <p>Has executive responsibility for the day-to-day management and performance of the Group, and is accountable to the Board. Leads the Executive team in developing and delivering strategy, overseeing risk management and internal controls, and implementing the Group’s sustainability agenda. Chairs the Risk Committee, Executive Committee and Investment Committee and reports regularly to the Board. Maintains engagement with shareholders and stakeholders.</p>	<p>Senior Independent Director</p> <p>Provides support and constructive challenge to the Chair, acting as a sounding board and intermediary for Directors and shareholders where appropriate. Leads succession planning for the Chair and is responsible for the Chair’s performance review and the annual review of the appropriateness of their role.</p>	<p>Non-Executive Directors</p> <p>Provide independent judgement and constructive challenge to management, contributing to the development of strategy and holding management to account for performance. Scrutinise financial and operational performance, and seek assurance that financial reporting, internal controls and risk management frameworks are robust and effective.</p>	<p>Company Secretary</p> <p>Supports the Chair and the Board in ensuring the effective operation of governance processes and Board procedures. Facilitates the timely flow of accurate information to Directors, advises on legal, regulatory and governance matters, and ensures compliance with applicable requirements while supporting the effectiveness of the Board and its Committees.</p>
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Board Committees

<p>Nominations Committee</p> <p>Oversees the composition of the Board and senior leadership, ensuring an appropriate balance of skills, experience and diversity, and leads succession planning for Directors and senior executives.</p> <p> Nominations Committee report see pages 127-129</p>	<p>Audit and Compliance Committee</p> <p>Monitors the integrity of financial and non-financial reporting, including sustainability disclosures, and oversees risk management, internal controls and the relationship with the external auditor, including tax policy and compliance.</p> <p> Audit and Compliance Committee report see pages 130-136</p>	<p>Valuations Committee</p> <p>Has primary responsibility for the Group’s valuation policy and the valuation of the investment portfolio, including key assumptions, and engages directly with the external auditor and its valuation specialists.</p> <p> Valuations Committee report see pages 141-145</p>	<p>Remuneration Committee</p> <p>Oversees remuneration policies to ensure alignment with performance and shareholder interests, supports a culture that rewards sustainable outcomes without encouraging excessive risk-taking, and approves key incentive arrangements across the Group.</p> <p> Remuneration Committee report see pages 146-169</p>
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Board of Directors

The Board promotes a culture of strong governance across the business.

Tenure



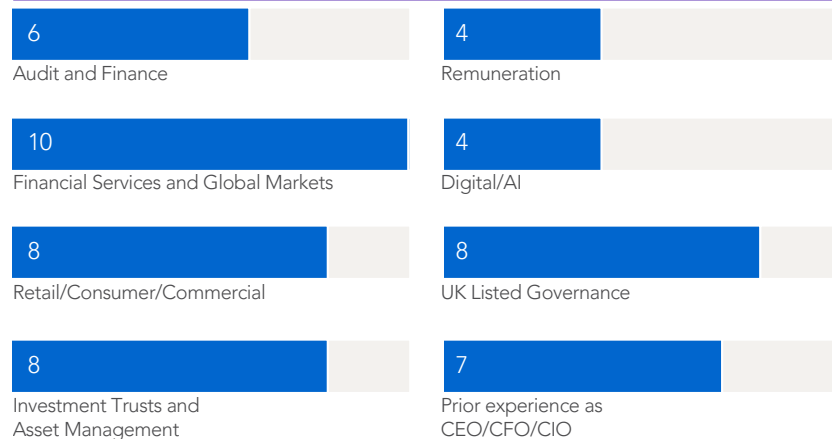
Board Ethnicity



Gender diversity



Board skills at 14 May 2026



David Hutchison
Chair

Chair since November 2021 and non-executive Director since 2013. David has considerable investment and banking experience across a range of asset classes which supports his leadership of the Board.

Previous experience

Chief Executive of Social Finance Limited from 2009 to 2022. Until 2009 Head of UK Investment Banking at Dresdner Kleinwort Limited and a member of its Global Banking Operating Committee. From 2012 to 2017, a non-executive director of the Start-Up Loans Company.



Simon Borrows
Chief Executive

Chief Executive since 2012, and an Executive Director since he joined 3i in 2011. Chair of the Group's Risk Committee, Executive Committee and Investment Committee. Chair of the Board of Peer Holding I B.V., the Dutch holding company for the Group's investment in Action.

Previous experience

Formerly Chair of Greenhill & Co International LLP, having previously been Co-Chief Executive Officer of Greenhill & Co, Inc. Before founding the European operations of Greenhill & Co in 1998 he was the Managing Director of Baring Brothers International Limited. Formerly a non-executive director of the British Land Company PLC and Inchcape plc.

Board of Directors continued



James Hatchley
Group Finance Director

Group Finance Director since June 2022 and an Executive Director since May 2022. A member of Executive Committee, Investment Committee, Group Risk Committee and Sustainability Committee.

Joined 3i in 2017 and was Group Strategy Director until June 2022.

Previous experience

Formerly Chief Operating Officer of KKR in Europe and, before that, Co-CEO of Avoca Capital. Earlier in his career, James was a corporate finance professional for 20 years, principally with Greenhill & Co. and Schroders. He qualified as a chartered accountant in 1992. Formerly a non-executive director of Great Ormond Street Hospital for Children NHS Foundation Trust.



Jasi Halai
Chief Operating Officer

Chief Operating Officer and an Executive Director since May 2022. A Member of Executive Committee, Investment Committee, Group Risk Committee and Sustainability Committee. Joined 3i in 2005 and has held a variety of posts in the business, most recently as Group Financial Controller and Operating Officer. A member of the Board of Peer Holding I B.V., the Dutch holding company for the Group's investment in Action and also a non-executive director of Barratt Redrow plc.

Previous experience

Prior to joining 3i, worked for CDC Group (now British International Investment) and at Actis following its demerger from CDC. Jasi is a chartered management accountant. Formerly a non-executive director of Povair PLC.



Stephen Daintith
Independent non-executive Director

Non-executive Director since 2016. Chief Financial Officer and an executive director of Ocado Group plc and a non-executive director of Kingfisher plc. Stephen contributes directly relevant financial and operating experience as Chair of the Audit and Compliance Committee, drawn from a range of consumer, digital, engineering and other international businesses, to the Board's decision making.

Previous experience

Formerly an executive director of Rolls-Royce Holdings plc from 2017 to 2021 and Finance Director of Daily Mail and General Trust plc ("DMGT") from 2011 to 2017. Non-executive director of ZPG Plc. Prior to joining DMGT he was Chief Operating Officer and Chief Financial Officer of Dow Jones and prior to that Chief Financial Officer of News International. He originally qualified as a chartered accountant with Price Waterhouse (now part of PwC).



Lesley Knox
Independent non-executive Director

Non-executive Director since October 2021 and Senior Independent Director since November 2021. Also, non-executive director of Dovecot Studios Limited, Senior Independent Director and Chair of Remuneration Committee of Genus Plc, and a trustee of Grosvenor Group Limited pension fund and National Galleries of Scotland Foundation. Lesley brings to the Board's discussions a wealth of international, strategic and financial services experience having spent over 17 years in senior roles in financial services, including in asset management and corporate finance.

Previous experience

Formerly held a number of senior roles in financial services, including head of institutional asset management at Kleinwort Benson. Also previously served as Chair of Alliance Trust PLC, Senior Independent Director of Legal & General Group plc, Senior Independent Director at Hays plc and non-executive director of SAB Miller plc, Centrica plc and Thomas Cook Group plc.

Board of Directors continued



Coline McConville
Independent
non-executive Director

Non-executive Director since 2018. Also a director of EBOS Group Limited. Coline has a diverse commercial background, having worked in a range of sectors and also brings to the Board significant listed board experience including chairing several remuneration committees and previously acting as Senior Independent Director at Fevertree. This enables her to make valuable contributions to the Board's discussions and to those of the Remuneration Committee, which she now chairs.

Previous experience

Formerly non-executive director and Chair of the ESG Committee at King's Cross Central General Partnership, a non-executive director of Fevertree Drinks plc, Travis Perkins plc, Tui Travel plc, UTV Media plc, Wembley National Stadium Limited, Shed Media plc, HBOS plc, Inchcape plc, Halifax plc and a member of the Supervisory Board of Tui AG. Prior to that was Chief Operating Officer and Chief Executive Officer Europe of Clear Channel International Limited and had previously worked for McKinsey and LEK.



Peter McKellar
Independent
non-executive Director

Non-executive Director since 2021. Also Chair of Partners Group Private Equity Limited and a non-executive director of Investcorp Capital plc. Peter brings to the Board significant experience and understanding of financial services and asset management, with a particular expertise in private equity and infrastructure. This enables him to bring a valuable asset management perspective to the Board's discussions and to those of the Valuations Committee, which he now chairs.

Previous experience

Formerly Deputy Chair of River Global plc, Global Head of Private Markets at Aberdeen Group plc and a non-executive board member of Scottish Enterprise. Previously led Standard Life Investments' private equity and infrastructure business and was their Chief Investment Officer. Prior to that, he held a variety of finance posts in industry and corporate finance positions.



Hemant Patel
Independent
non-executive Director

Non-executive Director since February 2025. Chief Financial Officer and an executive director of Whitbread PLC since March 2022. Hemant brings to the Board good and relevant financial and commercial experience from his different roles in retail and consumer businesses.

Previous experience

Formerly Finance Director, UK and Germany, at Whitbread, Finance Director of Greene King and before that worked at Asda-Walmart for 11 years, in various management roles including Commercial Finance Director, Director of Own Label and Director of Strategy. He also had several finance roles over six years at Mars, Inc. Hemant was non-executive Director and Audit Chair at the Department of Digital, Culture, Media and Sport from 2020 to 2023 as well as being on the board of the Cultural Recovery Fund. He was also a Trustee of the Royal Armouries Museum from 2010 to 2019 and Chair from 2018 to 2019. Hemant is a chartered management accountant.



Alexandra Schaapveld
Independent non-executive

Non-executive Director since 2020. Also member of the Advisory Board of Karmijn Kapitaal and a member of the Investment Committee of Goodwell Investments. Alexandra brings extensive financial services expertise in a number of important markets for 3i as well as considerable board experience in a variety of sectors. These help provide an international perspective to the Board's decision-making process.

Previous experience

Formerly on the boards of Société Générale S.A., Bumi Armada Berhad, Vallourec S.A., FMO N.V., Stage Entertainment N.V., Holland Casino N.V., VU University and VU Medical Center and Duin & Kruidberg. Prior to that, many years of corporate and investment banking at RBS and ABN AMRO.

Executive Committee at 31 March 2026



Simon Borrows
Chief Executive



James Hatchley
Group Finance Director



Jasi Halai
Chief Operating Officer

[➤ Board of Directors see pages 110-112](#)



Kevin Dunn
General Counsel and
Company Secretary



Peter Wirtz
Head, Private Equity,
Senior Partner



Bernardo Sottomayor
Managing Partner, Head of
European Infrastructure

[+ Full Executive Committee biographies
www.3i.com/about-us/our-team](#)



Rob Collins
Managing Partner, Head of North
American Infrastructure



Tony Lissaman
Partner and Chief Operating
Officer, Private Equity



Julien Marie
Chief Human Resources Officer

Board operations

The Board's role is to lead the Company in promoting its long-term success, thereby generating value for shareholders and contributing to wider society. The Board operates within a robust corporate governance framework and ensures that this framework is embedded across the organisation.

The Board oversees the Company's purpose, values and strategy and ensures that the Company's culture is appropriately aligned to deliver them. All Directors are expected to demonstrate integrity and adhere to the Company's culture and values.

The Board meets formally on a regular basis for scheduled Board meetings and on an ad hoc basis when required. Each year the Board holds two meetings in non-UK locations, providing a chance for non-executive Directors to meet local teams and the management of selected portfolio companies. The January 2026 Board and Committee meetings were held in Amsterdam, where Directors met and received presentations from the CEO of Royal Sanders and visited a Royal Sanders factory. They also met and received presentations from the senior management team of Action. In March 2026, the Board and Committee meetings were held at 3i's New York office, where Directors met 3i's New York team and received presentations from the CEO's of ten23, Cirtec, Regional Rail and SaniSure. The Board also holds an annual Strategy Day in December. Non-executive Directors attended a number of other Company meetings, portfolio company reviews and Infrastructure asset reviews to increase their understanding of the 3i business, the portfolio companies and the strength and depth of our people.

Board attendance as at 31 March 2026

	Independence	Board	Audit and Compliance Committee	Nominations Committee	Remuneration Committee	Valuations Committee
Total meetings held ¹		7	6	2	7	4
Number attended:						
D A M Hutchison	Independent on appointment	7(7)	–	2(2)	–	4(4)
S A Borrows	Executive Director	7(7)	–	–	–	4(4)
J G Hatchley	Executive Director	7(7)	–	–	–	4(4)
J H Halai	Executive Director	7(7)	–	–	–	–
S W Daintith	Independent	7(7)	6(6)	2(2)	–	–
L M S Knox	Independent	6(7)	–	2(2)	6(7)	2(4)
C McConville	Independent	7(7)	6(6)	2(2)	7(7)	–
P A McKellar	Independent	7(7)	–	2(2)	7(7)	4(4)
H K Patel	Independent	7(7)	6(6)	2(2)	–	–
A Schaapveld	Independent	7(7)	6(6)	2(2)	7(7)	4(4)

¹ This table shows the number of scheduled meetings of the Board and its Committees attended by each Director who was a member thereof in the year, together with (in brackets) the number of meetings they were eligible to attend. In addition to these meetings a number of additional meetings of the Board and its Committees were held, often at short notice, to deal with ad hoc business as it arose. Non-attendance at meetings was due to unavoidable prior commitments or illness. As explained in this report Mr Hutchison did not attend the Nominations Committee meeting which included discussion of the Chair's tenure and performance.

Culture

The Board, supported by the Audit and Compliance Committee, actively monitors behaviours across the Group to ensure alignment with the Company's values and expected standards. This is informed by regular reporting from Internal Audit and Group Compliance, providing insight into how culture is embedded in practice. The Remuneration Committee reinforces this by aligning workforce remuneration and incentives with the Group's values and long-term objectives. The Board also reviews employee policies, succession planning and strategic capability to ensure they support a high-performing, responsible culture and the sustainable success of the Company. Further information on our people and values can be found on page 116.

The Conflicts of interest

In accordance with the Companies Act 2006, the Company's Articles of Association allow the Board to authorise potential conflicts of interest that may arise and impose such limits or conditions as are deemed necessary. The Board receives regular reports on potential conflicts of interests involving Directors at each Board meeting and any actual conflicts of interests identified are managed appropriately. This may involve excluding the Director concerned from relevant information and discussions.

Board operations continued

Board composition, balance and independence

As at 31 March 2026, the 3i Group plc Board consisted of ten Directors: the Chair, six non-executive Directors and three executive Directors. All non-executive Directors are considered to have the appropriate skills, knowledge, experience and character to bring objective and constructive judgement and valuable insights to the Board’s deliberations.

The Board regularly considers the independence of non-executive Directors. The Board considers all of the Company’s non-executive Directors to be independent for the purposes of the Code. The Chair was independent on appointment as Chair. Consideration is also given to time commitments when being appointed as a Director of the Company and when Directors seek to take on any additional external appointments.

 **Board of Directors** see pages 110-112

Induction, training and development

The Company has a training policy which provides a framework within which training for Directors is planned with the objective of ensuring Directors understand the duties and responsibilities of being a director of a listed company and are updated on developments that particularly impact 3i. All Directors are required to keep their skills up to date and maintain their familiarity with the Company and its business.

On appointment, all non-executive Directors participate in a structured and tailored induction programme. The induction includes meeting the Chair, the Chief Executive and other members of the Board. This is followed by briefings on: strategy; finance; Private Equity and Infrastructure including portfolio assets; external funds and co-investment and legacy funds; HR, remuneration and carry schemes; and legal, regulatory and compliance matters including the responsibilities of Directors. The Company provides opportunities for non-executive Directors to obtain a thorough understanding of the Company’s business by meeting members of the senior management team, who in turn arrange, as required, visits to investment or support teams.

In the year, Directors received training on carried interest, presentations on Generative AI and the economic outlook, in addition to presentations given by the CEOs and Private Equity investment teams of a number of portfolio companies. They also received, during the course of Board and Committee meetings, updates on developments in relation to regulatory matters, sustainability, risk, financial and other reporting requirements. Directors have the opportunity to suggest additional subjects for presentations where they believe it would be helpful. All non-executive Directors have the opportunity to access the Company’s compliance e-training modules which are used to train the Company’s employees on regulatory compliance matters.

The Company has procedures for Directors to take independent legal or other professional advice in relation to the performance of their duties. In addition, Directors have access to the advice and services of the Company Secretary, who advises the Board, through the Chair, on governance matters.

10

Board Directors

6

Independent Directors

3

Executive Directors



Board activities in FY2026

The Chair sets the Board's agenda. Board members and, as appropriate, executives from the relevant business areas are invited to present on key items allowing the Board the opportunity to debate and challenge initiatives directly with the senior management team.

When making decisions the Board has regard to the interests of stakeholders, as well as the section 172 factors listed on page 122.

Examples of some important decisions taken by the Board in the year and how, where relevant, the Board had regard to the interests of relevant stakeholders are set out on page 123 - 124. Our key stakeholders are set out below. In addition, the Board also dealt with its regular annual cycle of business, examples of which are detailed here.

Our key stakeholders



Shareholders



Portfolio companies



Fund investors



Debt holders



Employees



Government and regulators



Communities

Purpose, culture and values

The Board focused on reinforcing the Group's purpose, culture and values, ensuring these remain aligned with the Company's strategy. During the year, the Board approved the Responsible Investment Policy and reviewed the operation and effectiveness of the Remuneration Policy. It also considered executive and senior management succession planning, organisational capability and employee leadership and development initiatives. The Board monitored progress on diversity, equity and inclusion, including compliance with external board diversity expectations, and undertook its annual Board performance review.

Stakeholders considered:



Strategy

The Board reviewed and challenged the Group's strategy, with a focus on long-term value creation, sustainability and resilience. It considered the Group's approach to environmental sustainability and climate change, alongside senior leadership succession and contingency planning and a review of the capabilities necessary to deliver the strategy. A dedicated Strategy Day provided an opportunity for in-depth discussion of the Group's strategic financial planning and analysis, the Private Equity strategic plan and sector outlook, and the Infrastructure strategic plan. The Board also reviewed analysis relating to long-term hold portfolio companies, including the governance model for Action and received regular updates from individual business lines on the performance and development of the Private Equity and Infrastructure businesses.

Stakeholders considered:



Risk management and internal control

The Board oversaw the effectiveness of the Group's risk management framework and system of internal control. It approved the Group's risk appetite and undertook regular risk reviews. The Board received updates on compliance and internal controls, and detailed reporting from the Group Risk Committee, including matters relating to business continuity, cyber security and IT. It also considered the Group's going concern and viability assessments, including stress testing and the Resilience Statement.

Stakeholders considered:



Board activities in FY2026 continued

Portfolio companies

The Board maintained close oversight of portfolio performance and value creation across the Group, including reviewing portfolio company valuations. They reviewed the financial three-year rolling performance of the portfolio and the performance of individual investments against their original investment case. It received presentations from the CEOs and senior management of Action, Royal Sanders, ten23, Cirtec, Regional Rail and SaniSure, providing insight into performance and strategic priorities.

Board members also undertook site visits, including to Action's headquarters and retail operations and to a Royal Sanders facility, and received regular updates on portfolio companies at Board and Valuations Committee meetings. In addition, the Board reviewed sustainability initiatives and participated in portfolio company and Infrastructure asset reviews.

Stakeholders considered:



Financial

The Board maintained oversight of the Group's financial performance, capital allocation and reporting. During the year, it recommended the FY2025 final dividend and approved the FY2026 interim dividend, as well as the operating budget. The Board reviewed and approved the Annual Report, Half-year Report and quarterly updates, and approved investment valuations. It received regular financial reporting from the Group Finance Director, including performance against budget and key financial highlights, and reviewed valuation reports from the Group Finance Director and Chief Operating Officer. The Board considered market developments, funding and treasury matters, and assessed investment performance against agreed objectives. The Board also approved the proposed appointment of Ernst & Young LLP as its external auditor to take effect from, and including, the financial year ending 31 March 2028, subject to shareholder approval at the 2027 Annual General Meeting.

Stakeholders considered:



Governance

The Board continued to focus on maintaining high standards of governance and regulatory compliance across the Group. During the year, it approved the continuation of the Chair's tenure and considered matters relating to Board composition and effectiveness. The Board also received updates on developments in the UK Corporate Governance Code, including our preparedness for compliance with Provision 29 of the Code and other relevant regulatory requirements. In addition, it oversaw the Group's sustainability strategy,

Stakeholders considered:



Engaging with stakeholders

Engaging and communicating with our stakeholders is an integral part of 3i's business and critical to ensuring our continued success.

Engaging with shareholders

The CEO, Group Finance Director and the Group Investor Relations Director meet with institutional shareholders and potential investors after the announcement of the annual and interim results and throughout the year. The Chair offers to meet large institutional shareholders once a year.

The Investor Relations and Company Secretariat teams are available to retail shareholders to respond to their queries.

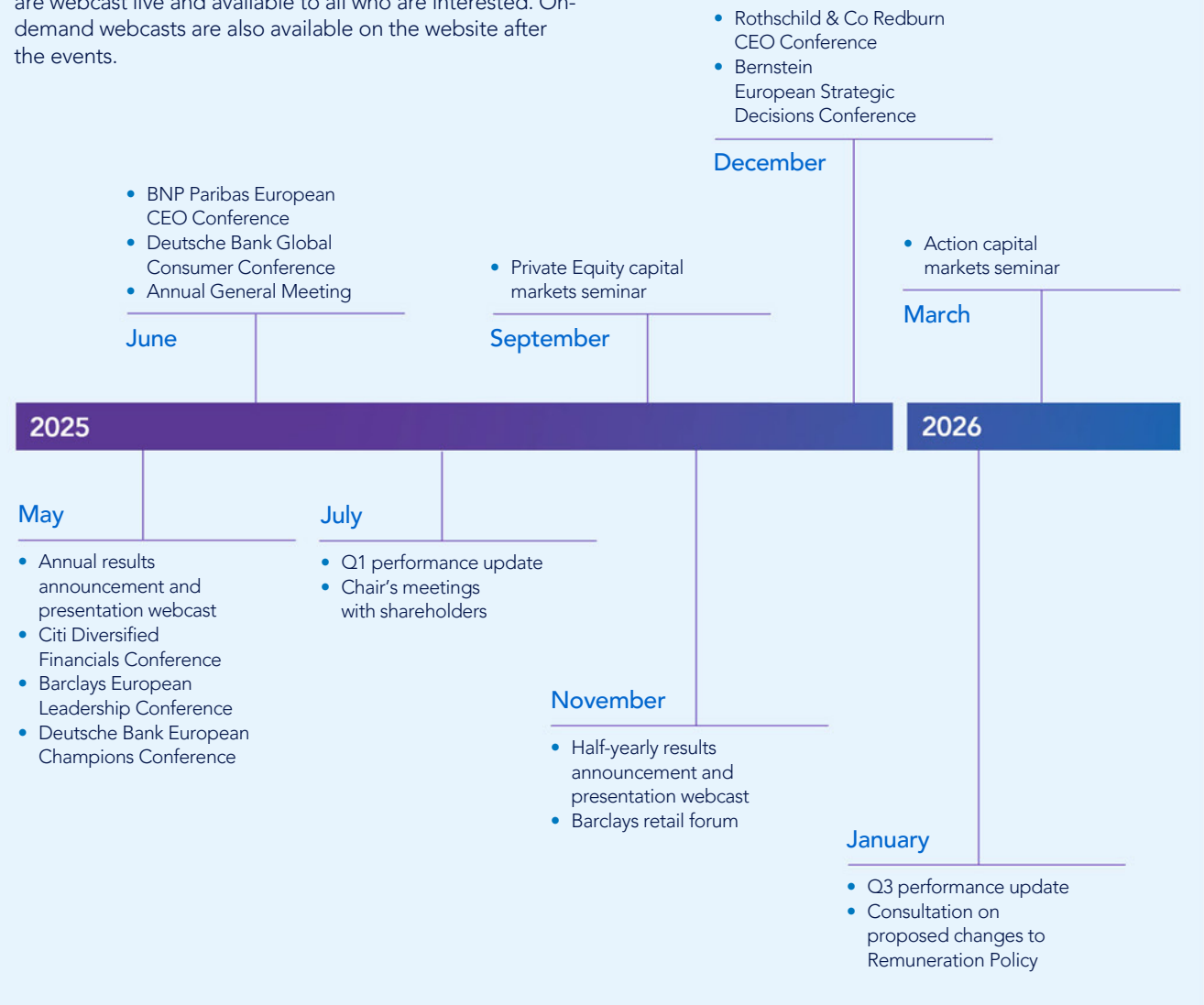
In FY2026, shareholders were principally interested in the performance of Action and in the performance of the rest of the portfolio, 3i's capital allocation strategy and market conditions for new investments and realisations.

In addition to this ongoing investor engagement, the Company has an extensive engagement programme detailed opposite which enables investors to make informed decisions about their investment in the Company:

Investor Relations programme

Our FY2026 Investor Relations programme

We engage our market audiences through a full programme of events. Our results presentations and capital markets seminars are webcast live and available to all who are interested. On-demand webcasts are also available on the website after the events.



Engaging with stakeholders continued

Our FY2026 Investor Relations programme

We engage shareholders through a full programme of events. Our results presentations and capital markets seminars are webcast live and available to all who are interested. On-demand webcasts and transcripts are also available on the Company's website after the events.

Capital market seminars

- Two capital markets seminars in FY2026, held in September 2025 and March 2026, both held via a webcast and available to view on the 3i website.
- The September 2025 seminar included presentations from our investment teams on our Private Equity investments in OMS Prüfservice and WaterWipes and recent realisations of MAIT Group and MPM.
- The March 2026 seminar focused on Action, with results and strategy updates from the CEO and CFO of Action, as well as an update by the 3i Chief Executive.

Investor Relations
www.3i.com/investor-relations

Individual investors

- Can view live webcasts of the results presentations and capital markets seminars.
- Can engage directly with non-executive Directors, Executive Directors, the Company Secretary and the Group Investor Relations Director at the AGM.
- Can engage with and contact the Group Investor Relations Director, whose contact details are on the website and the Company Secretary, to raise issues and provide feedback.

Institutional investors

- One-on-one meetings with 3i's UK and international principal shareholders conducted biannually via organised UK and international roadshows, and on an ad-hoc basis throughout the year as required.
- Large group investor calls are held after the publication of the annual and half-year results and quarterly performance updates, and after other significant developments, to target both existing and potential institutional investors.
- Meetings with prospective and existing institutional investors are undertaken through the year via participation in sell-side conferences, European and international roadshows and supplemented with ad-hoc meetings as required.
- Engagement with analysts from investment banks by the Group Investor Relations Director.
- The Chair offers to meet with significant institutional shareholders once a year and, together with the Company Secretary, met a number of large institutional holders after the 2025 AGM. The SID and the Audit and Compliance Committee Chair are also available as required.
- In February 2026, the Chair of the Remuneration Committee consulted our largest shareholders on proposed changes to the Company's Remuneration Policy and implementation, particularly changes relating to the Executive Directors' remuneration.

Annual and half-year results presentations

- The annual and half-year results are presented via live webcasts accessible to all on the 3i website. Listeners are encouraged to submit questions during the webcasts.

Website

- The 3i website (www.3i.com) provides a wealth of useful and detailed information for all existing and potential shareholders, who can also sign up for our email alert service to be notified of key announcements.

Annual General Meeting

- The AGM is held as an in person meeting, preceded by business presentations from the Chair and Chief Executive.
- Shareholders are encouraged to ask questions during the meeting and have the opportunity to meet Directors before and after the formal proceedings.

Outcome of engagement with shareholders

The extensive Investor Relations programme enables investors to understand 3i's performance, assists them in making their investment decisions and provides them with an opportunity to engage with Directors and senior management. Executive Directors routinely update the Board on investor relations activities and on any feedback received from analysts and shareholders. Any major issues brought up by shareholders concerning the Group are communicated to and discussed with the Board.

Engaging with stakeholders continued

Employees



Why?

3i is a people business. Our people are critical to the success of the Company and we rely on having motivated people with the appropriate expertise and skills to deliver our strategy.

How?

Our approach as a responsible employer is described in the Sustainability section. The Directors' report on page 174 includes details on their engagement with our employees. We continue to support our employees and to maintain strong employee engagement.

Outcome

Having meaningful engagement with employees helps create a strong, supportive work culture, which develops and retains talent, enabling 3i to continue to deliver strong performance.

[Sustainability report pages 49-81](#)



Portfolio companies



Why?

3i's long-term, responsible approach to its investments means that it participates in the active management of its portfolio companies. Close engagement and a strong governance framework enables us to help them grow and create value.

How?

Our investment teams work closely with portfolio companies and their management teams. One or more investment team professionals are usually appointed as directors or board advisors to each investee company. During the year, we convened our biennial CFO Forum, bringing together finance leaders from across our portfolio for structured discussion and knowledge sharing. The programme covered a broad range of strategic and operational priorities, including a macro geopolitical outlook, CFO led perspectives on exit readiness, lessons from buy and build strategies, treasury and risk management, and an in depth session on the role of artificial intelligence in finance and operations. The Forum also provided opportunities for peer exchange and engagement with external experts. We also hosted a CTO webinar focused on cybersecurity, where technology leaders shared their approaches to managing cyber risk, strengthening organisational resilience, and responding to an increasingly complex threat environment. The session provided a platform for practical peer to peer learning and reinforced the importance of cybersecurity as a core component of technology and business strategy.

Outcome

We are able to share best practice and connect management teams across the portfolio. Growing and generating value in the portfolio companies enables 3i to generate attractive returns for our shareholders and fund investors, contributing towards the long-term success of 3i.

- [Financial review see pages 83-87](#)
- [Directors' duties under Section 172 see page 122](#)
- [Notes to the accounts see pages 189-219](#)



Engaging with stakeholders continued

Fund investors

Why?

Fund investors, like shareholders, want to understand and have confidence in 3i's strategy, performance, culture, sustainability policies, compliance and governance. It is also important that the Board and management understand issues that are specific to them.

How?

There is an engagement programme with fund investors and co-investors led by the Fund Investor Relations team with regular and ad hoc meetings, supported by comprehensive reporting.

The Chief Executive and relevant investment professionals participate in some of these meetings, as appropriate.

Outcome

Fund investors have provided capital we have invested in certain assets as part of our investment management activities and which generates fee income for 3i. They are customers to whom we owe regulatory duties. Positive engagement with Fund investors enhances our relationship with them and provides them with the information they require to maintain their investment in the relevant fund.

 [Sustainability report](#) see pages **49-81**

Government and Regulators

Why?

The Company works in a regulated environment and can only continue to operate if it complies with relevant laws and regulations.

How?

Our Group Compliance team and local professionals lead our relationships with national and international regulators, including the UK FCA and the US SEC. The Company actively participates in policy forums, engages on regulatory matters and is a member of a number of industry bodies, including UK Private Capital and Invest Europe.

We maintain relationships with other governance-related bodies including the FRC, relevant UK government departments, ESG rating agencies, the FTSE Women Leaders Review, the Parker Review and proxy advisers through participation in consultations, surveys and events.

Outcome

Maintaining open and constructive dialogue and strong relationships with relevant authorities and governance bodies helps support the achievement of our strategic goals within a compliant framework.

Debt holders

Why?

Access to debt markets for 3i Group and its portfolio companies provides important flexibility and resilience to the Company's financial structure.

How?

Together with the Group Finance Director, the Group Treasurer engages with debt providers, hedging counterparties and rating agencies through regular reviews and updates including the Group's results presentations. A dedicated section on 3i.com is maintained for debt investors.

Outcome

The Company's ability to raise finance via a bond or loan markets where appropriate demonstrates the benefits of positive engagement with debt holders.

 [Financial review](#) see pages **83-87**

 [Directors' duties under Section 172](#) see page **122**

 [Notes to the accounts](#) see pages **189-219**

Communities

We embed responsible business practices throughout our organisation by promoting our values and culture. We use our influence with our portfolio companies to ensure that they assess their environmental and social impacts and dependencies and, where relevant, devise strategies to address them. During the year, we hosted a gathering of over 20 portfolio companies from across Europe to discuss and share best practice. We also partner with organisations and support charities which relieve poverty, promote education and support elderly and disabled people.

 [Sustainability report](#) see pages **49-81**

Directors' duties under Section 172

Section 172 statement




The Directors believe that, during the year, they have, individually and collectively, acted in a way that they consider, in good faith, was most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so had regard to the factors set out below ("section 172 factors").

Our business model is set out on pages 20 and 21 and the Board's strategic objectives and key performance indicators are set out on pages 22 and 23.

When making decisions, the Board takes into consideration the Company's purpose and strategic objectives, as well as the potential long-term impact of those decisions on its various stakeholder groups, including those listed in section 172 of the Companies Act 2006 ("section 172"). A summary of the principal section 172 factors is set out below.

The Board takes into account stakeholder interests and other section 172 factors in its key business decisions. Directors are reminded of their section 172 duties at Board meetings.

Throughout the year and when implementing the Company's strategic priorities, the Board has taken account of the varied interests of the Company's stakeholders and the impact of key decisions on them.

-  **Sustainability** see pages 49-81
-  **Overview and strategy** see pages 6-23
-  **Governance** see pages 105-176

Section 172 factors

The likely consequences of any decision in the long term

Our purpose and strategy, including our long-term responsible investment approach, aims to drive sustainable growth in our investment portfolio.

The interests of the Company's employees

Our employees are critical to the success of the Company. Our approach as a responsible employer is described more fully in the Sustainability section.

The need to foster the Company's business relationships with suppliers, customers and others

We engage with all our third-party service providers, suppliers and customers in an open and transparent way to foster strong business relationships to ensure both the success of the Company and its legal and regulatory compliance.

The impact of the Company's operations on the community and the environment

We embed responsible business practices throughout our organisation by promoting the right values and culture. In addition we partner with charities which relieve poverty, promote education and support elderly and disabled people.

The desirability of maintaining a reputation for high standards of business conduct

Our success relies on maintaining a strong reputation and seeking to ensure our values and culture are aligned to our purpose, our strategy and our ways of working.

The need to act fairly towards all members of the Company

The Board engages actively with its shareholders and takes into account their interests when implementing our strategy.

How stakeholder interests have influenced decision making

Increasing the Company's stake in Action

Action remains a core long-term holding for the Company, and the Board regularly considers opportunities to increase its ownership where this represents an attractive use of capital.

As discussed on page 36, during the year, through a series of transactions, the Company increased its stake in Action from 57.9% to 65.4%, for a total further investment of £2,566 million.

Stakeholder considerations

In evaluating these transactions, the Board considered the interests of shareholders, including the opportunity to increase exposure to an asset that has performed extraordinarily well since our initial investment in 2011, with a long growth runway underpinned by significant white space potential across Europe and an experienced management team capable of delivering seamless roll-outs of hundreds of new stores per year. The transactions also provided liquidity to other shareholders in Action, including fund investors seeking to realise or adjust their holdings.

In two of these transactions, the Company issued new shares. The Board considered the impact of issuing new shares in these transactions, including potential dilution for existing shareholders, balanced against the opportunity to increase the Company's interest in a high-quality asset. Across all transactions, the Board also assessed the impact on the Group's financial position, including liquidity, leverage and ongoing investment capacity.

Impact on the success of 3i

The Board believes that increasing the Company's stake in Action strengthens its exposure to a high-quality, market-leading business and supports the delivery of attractive long-term returns.

The transactions demonstrate disciplined capital allocation, including the effective recycling of proceeds and the selective use of equity to fund investment, while maintaining a strong balance sheet and financial flexibility.



How stakeholder interests have influenced decision making continued

Proposed change to the investment policy

As a result of the increases (particularly since 2020) in the Company's stake in Action, the aggregate cost of those investments in Action has increased as a percentage of the Company's total published investment portfolio value.

This has reduced the available headroom under the Company's existing investment policy limit for exposure to a single asset. In March 2026, the Board agreed to seek shareholder approval at the 2026 AGM to increase this limit, providing greater flexibility to support potential future investment decisions.

Stakeholder considerations

In considering the proposed change, the Board had regard to the interests of shareholders, balancing the benefits of increased flexibility to invest further in a high-performing asset against the Company's broader purpose of maximising returns, while managing and spreading investment risk. The Board also considered the importance of maintaining a disciplined investment framework and ensuring continued transparency and accountability to shareholders, given that any change is subject to their approval.

Impact on the success of 3i

The Board believes that the proposed change to the investment policy supports the long-term success of the Company by enabling continued investment in a high-quality asset, while managing and spreading investment risk. The requirement for shareholder approval ensures that this flexibility is introduced in a transparent and controlled manner, consistent with the Company's commitment to strong governance.

FY2025 final dividend and FY2026 interim dividend

During the year, the Board approved an increased total dividend for FY2025 and, in November 2025, declared an interim dividend in line with the Company's dividend policy.

Stakeholder considerations

In determining the FY2025 dividend, the Board carefully considered a range of factors, including the Company's strong performance, the need to deliver an appropriate return to shareholders and the importance of maintaining financial flexibility. This included consideration of future cash flow requirements, investment capacity and the need to maintain a robust, low-g geared balance sheet. The Board also took into account the broader macroeconomic environment. While conditions remained uncertain, the portfolio performed well overall, with continuing strong performance from Action and resilient performance across the wider portfolio. The Board considered the increased dividend to be an appropriate reflection of performance and a signal of confidence in the Group's future prospects.

Impact on the success of 3i

A disciplined and consistent approach to dividend setting supports the Company's long-term success by balancing returns to shareholders with the need to retain capital for future investment. The Board recognises that the Company's dividend policy is an important component of the investment case for shareholders, while also ensuring the Group remains well positioned to invest, manage risk and deliver sustainable value over the long term.



Board performance review

In accordance with the Code, during the year, the Board conducted its annual review of its own performance and that of its Committees and the Chair. The review process is externally facilitated at least once every three years. During the year, the performance review was undertaken internally led by the Chair, the Senior Independent Director and Company Secretary.

Board performance review process



Topics covered in the 2026 review

- Board composition;
- Board dynamics and relationships;
- Board support and meeting management;
- Understanding stakeholder views;
- Oversight of strategy and investment portfolio;
- Risk management and internal controls;
- People and succession; and
- Performance of Board Committees.

Findings from the 2026 review

The overall finding was that the Board had continued to perform strongly and had benefitted from the leadership provided by the Chair. The review was very positive across a broad range of issues. The review confirmed a consensus between the Board and executives that they were working well together, meetings were well-run, with strong Committee support and good oversight of risks and controls. The Board agreed steps including:

- to maintain strong engagement through in person attendance at the six-monthly portfolio company and infrastructure asset reviews;
- to maintain close oversight of the Company's investment in Action and regularly assess the Board's governance of that investment;
- to continue to review the progress of the Private Equity strategy and business from a geographical model to a sector led model, including the impact on investment rates and returns;
- to continue to review the progress of the Infrastructure business strategy;
- to strengthen the focus on people, culture and succession planning, including senior management succession; and
- to provide opportunities to gain external insight, where helpful.

Directors review of the performance of the Chair

In her role as Senior Independent Director, Lesley Knox led a review by the Directors of the performance of the Chair that was partly informed by the outputs from a survey of the Chair's performance conducted internally by the Company Secretary. Ms Knox subsequently reported back to the Board on the review and provided feedback to the Chair.

Chair performance review see page 128

Board performance review continued

Focus areas from the 2025 performance review	Actions and steps taken
<p>Promoting interaction between non-executive Directors and investment teams to deepen non-executive Directors knowledge of the portfolio including more in-person attendance at portfolio company asset reviews.</p>	<p>The Board received regular updates on the performance of both Action, Royal Sanders and other Private Equity and Infrastructure portfolio companies from both the executive Directors and members of the investment teams. Non-executive Directors attended a selection of portfolio company reviews and the Board and Valuations Committee considered and approved the quarterly valuations. In January 2026, the Board visited Action’s head office and received presentations from the Action CEO and other senior executives. In the year, the Board received presentations from the CEOs and senior management of Royal Sanders, ten23, Cirtec, Regional Rail and SaniSure.</p>
<p>Review allocation of Board time spent between Action and other parts of business.</p>	<p>In addition to the actions and steps mentioned above, the Board visited both the Amsterdam and New York offices which enabled them to spend time with different investment teams covering a wider range of portfolio companies and further developing their knowledge of these business.</p>
<p>Additional opportunities to discuss people and organisational development topics with Chief Human Resources Officer.</p>	<p>The Nominations Committee regularly considers Director succession planning taking into account the size, balance and composition of the Board. In addition, the non-executive Directors met privately with the Chief Human Resources Officer to gain a deeper insight into talent, resourcing and organisational priorities across the Group.</p>
<p>Additional opportunities to discuss investor feedback and themes with Group Investor Relations Director.</p>	<p>Additional opportunities were introduced during the year for the Board to engage more directly on investor feedback and key themes. This included the introduction of a dedicated agenda item, through which the Board received a comprehensive summary of investor feedback from the Group Investor Relations Director. This provided enhanced visibility of investor perspectives and supported the Board’s understanding of market sentiment and emerging areas of focus.</p>

Nominations Committee report

Committee membership

Committee member	Meetings
David Hutchison (Chair)	2/2
Stephen Daintith	2/2
Lesley Knox	2/2
Coline McConville	2/2
Peter McKellar	2/2
Hemant Patel	2/2
Alexandra Schaapveld	2/2

Board of Directors see pages 110-112



I am pleased to present the Nominations Committee report for the year ended 31 March 2026. My report explains the role of the Committee and its work this year.



David Hutchison
Chair



Dear Shareholder

What the Committee reviewed in FY2026

- Board and senior management succession plans
- Board and Chair performance reviews
- Size, balance and composition of the Board
- Chair tenure
- Contingency Executive Directors succession plan

Role and purpose of the Committee

The Committee's principal role is to ensure the Board has the necessary skills and experience to enable the Group to deliver its current and future strategic objectives. In doing this, it keeps under review the size, balance and composition of the Board and ensures that plans are in place for orderly succession for both the Board and senior management positions, including contingency plans for unanticipated events. It also reviews the Company's work on diversity, equity and inclusion. The Committee's discussions are complemented by discussions at meetings of the full Board where appropriate.

Directors

All Directors are subject to re-appointment every year. Accordingly, at the AGM to be held on 25 June 2026, all the Directors will retire from office and, being eligible, will seek re-appointment, save for Stephen Daintith who is retiring from the Board at the conclusion of the AGM. The Board's recommendation for re-appointment of Directors is set out in the 2026 Notice of AGM.

Throughout the year, Lesley Knox continued to serve as Senior Independent Director. As Senior Independent Director, Lesley provides support to me, acts as an intermediary with the other Directors, if necessary, and oversees my appraisal and the review of my tenure by the other Directors. Lesley is also available to the Company's shareholders to address any concerns they have been unable to resolve through me, Simon Borrows or James Hatchley or where they consider these channels to be inappropriate. Directors' biographical details are set out on pages 110-112.

Appointments and appointment process

We maintain a structured and transparent procedure for identifying the requisite skills and experience, evaluating suitable candidates, and appointing new Directors. For non-executive Directors, the assessment process includes an evaluation of their availability to fulfil their roles. Recommendations for appointments require Board approval. The Committee conducted a review of its appointment process during the year and confirmed its continued appropriateness.

Succession planning for the Board

Our approach to succession planning seeks to ensure that Board retirements are planned for and occur in a coordinated manner and that the Board has an appropriate mix of skills and experience. This mitigates risks to the Company's strategic objectives by avoiding gaps in key skills or a lack of continuity.

The Committee remains of the view that a nine or 10 member Board is an appropriate size for the Company and that the Board has the right balance of skills and experience. The Committee also reviewed its short-term contingency succession plans for scenarios where any of the executive Directors was unexpectedly unable to carry out their duties and assessed that these remained appropriate.

The Committee believes that length of service will not necessarily compromise the independence or contribution of the Company's Directors. The Nominations Committee evaluates the appropriate balance between the retention of the corporate memory of the Company (including detailed knowledge of portfolio companies in which it has been invested for many years), with maintaining a suitable rate of refreshment at any given point in time.

Nominations Committee report continued

The Board and Nominations Committee have carefully considered the question of Chair tenure. In my absence the Nominations Committee, chaired by the Senior Independent Director, reviewed my tenure as Chair in March 2026. Further details are set out in the Report from the Senior Independent Director on this page and in the Corporate Governance statement on page 107.

The Board also recognises that in providing leadership, governance, challenge and support it must, when considering the Chair tenure, take account of matters including: the importance of Director independence; the need periodically to refresh the Board and its leadership; knowledge and understanding of the Company's investment business and its strategic objectives; as well as diversity, continuity and retention of corporate memory. We believe that an appropriate balance of all these factors is essential both for the effective functioning of the Board and the delivery of the Board's purpose. At times, this may result in some longer-serving Directors, including the Chair.

Succession planning for senior management

In relation to succession planning below Board level, and as part of the Board's work to support the development of a diverse pipeline of talent, the Committee and the Board considered and discussed the 2025 Group Succession Planning and Strategic Capability Review, which was presented to the Directors by the Chief Human Resources Officer and other relevant Executive Committee members. This annual review identifies development and succession plans for key staff, including all members of the Executive Committee and their direct reports, with details of short-term contingency arrangements in case of a sudden vacancy, planned successors and identification of those who, with further experience, could be potential longer-term successors. The Board and the Committee were able to satisfy themselves as to the appropriateness of the succession planning process in place for senior positions within the Group.

Board Performance Review

The Committee reviewed the Board performance review process which had been followed in the year with a view to identifying whether any changes or improvements should be made for future years.

Details on how the annual Board performance review process was conducted and areas covered are on pages 125-126.

[Corporate Governance statement](#) see pages 106-107

Senior Independent Director's Statement on Committee's annual review of Chair's tenure

As Senior Independent Director, I lead the Nominations Committee's annual review of the Chair's performance and independence. This review is conducted in the absence of the Chair and forms a key safeguard in light of the length of his tenure.

A full explanation of the Company's non-compliance with Provision 19 of the Code is set out on page 107. The purpose of this review is to assess whether the Chair's continued tenure remains appropriate and supports effective governance.

The most recent review was undertaken in March 2026. It included a detailed assessment of the Chair's performance over the past year, including his leadership of the Board, the quality of engagement and challenge with non-executive Directors, his effectiveness in managing Board discussions, and his engagement with stakeholders. The review also considered areas for continued development.

The Committee concluded that David Hutchison continues to perform effectively as Chair. Feedback was strongly positive, with particular recognition of the quality of his leadership, his commitment to building and maintaining strong relationships with executive and non-executive Directors and with wider stakeholders within the business and the significant time devoted to his role, including attending a large number of Portfolio Company Reviews as well as being accessible to Directors and wider management to discuss current and emerging issues. The support he provides to Board colleagues and executive management, and his ability to balance a collegiate Board culture with appropriate challenge and oversight.

His performance continues to improve and was assessed as outstanding in the context of the Board's effectiveness framework.

The review also concluded that the Chair continues to demonstrate objective judgement and to promote constructive challenge and open debate at Board level enabling all parties to contribute and reach a consensus when decisions are required. No concerns have been identified in relation to independence or effectiveness.

The Committee further considered the strategic context of the Company and noted that, in a business where long-term knowledge of the portfolio and investment approach is critical, the Chair's experience remains highly relevant.

Shareholder support for the Chair's continued appointment remains strong, with over 92% of votes cast in favour of his re-election at the 2025 AGM, and no significant concerns raised through shareholder engagement.

On this basis, the Committee concluded unanimously that the Chair's continued appointment for the coming year remains in the best interests of the Company and its shareholders.

Lesley Knox
Senior Independent Director
13 May 2026



Nominations Committee report continued

Diversity and inclusion

The Board strongly supports the principle of boardroom diversity. The Board's aim is to appoint Directors on merit so as to have a Board who have an appropriate mix of skills, experience and knowledge which is diverse in terms of gender, social and ethnic backgrounds, as well as cognitive and personal strengths. When we engage external consultancies to assist with Director appointments, they are instructed to put forward a diverse range of candidates for consideration from which the Board can make appointments on merit and against objective criteria.

The Board currently comprises ten Directors, of whom four are women. This meets the 40% female gender diversity target set by the FTSE Women Leaders review. The Board also exceeds the Parker Review recommendation of having at least one Director from a minority ethnic group.

During the year, the Committee reviewed the Company's Equal Opportunities and Diversity policy and decided that no changes to the policy were required at this time. The Committee also reviewed the Company's diversity, equity and inclusion activities during the year and considered how the Company's Equal Opportunities and Diversity policy had been implemented. Further details are set out in the Sustainability report on pages 49 to 81.

Diversity of individuals on the Company's Board and in executive management

In accordance with LR 6.6.6 R (9) of the FCA Listing Rules, the Board confirms that, as at 31 March 2026, the Company met the targets set out in that rule in that at least 40% of the Board were women, that at least one of the specified senior positions on the Board (the Chair, the Chief Executive, the Senior Independent Director or the Chief Financial Officer) was held by a woman and that at least one Director was from a minority ethnic background. There have been no changes to the Board since 31 March 2026 that would affect the Company's ability to meet these targets.

In accordance with LR 6.6.6 R (10) of the FCA Listing Rules, the following tables set out data, as at 31 March 2026, on the ethnic background and the gender identity or sex of the individuals on the Company's Board and in its executive management.

The Committee reviews and monitors initiatives aimed at developing a diverse pipeline of talent within the Company below Board level through the succession planning process referred to above and the appointments process. When hiring, we seek to recruit on merit from a diverse pool of candidates. Despite our approach, the challenge nonetheless remains that there is a limited size talent pool, particularly at senior levels, within an extremely competitive market.

The gender balance of our employees and our senior managers is reported in more detail in the Sustainability section on page 63. At 31 March 2026, our employees were 60.5% male and 39.5% female. The under-representation of women in senior management and

investment roles at 3i is an issue we share with much of the private equity and alternative asset investment sector. Nonetheless, 3i continues to focus on increasing the number of women in these roles, whilst recognising that significant change will take time to achieve. As at 31 March 2026, 27% of Executive Committee plus their direct reports who were senior managers were female. For further information and details on how this figure is calculated see page 63.

The Company participates in a number of diversity, equity and inclusion initiatives, details of which are contained in the Sustainability report on pages 49 and 81.

David Hutchison

Chair, Nominations Committee
13 May 2026

LR 6.6.6r(10) table

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Gender identity or sex					
Men	6	60%	3	8	89%
Women	4	40%	1	1	11%
Not specified/prefer not to say	–	–	–	–	–
Ethnic background					
White British or other white (including minority-white groups)	8	80%	4	6	67%
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	2	20%	–	1	11%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	2	22%

The tables above include data for three individuals who are included in both the Board and executive management. The Company's approach to collecting the data used for the purposes of the above disclosures was to use data on gender or sex from our employee records and to ask the individuals which ethnic background was applicable to them together with permission to use it for this purpose, save where individuals were located in non-UK jurisdictions where we believe it would be inappropriate or unlawful to make such a request.

Audit, risk and control

Audit and Compliance Committee report

Committee membership

Committee member	Meetings
Stephen Daintith (Chair)	6(6)
Coline McConville	6(6)
Alexandra Schaapveld	6(6)
Hemant Patel	6(6)



I am pleased to present the Audit and Compliance Committee report for the year ended 31 March 2026. My report explains the role of the Committee and its work this year.



Stephen Daintith
Committee Chair



Dear Shareholder

We held six regular scheduled meetings this year, four of which were coordinated with 3i's external reporting timetable, as well as one other additional meeting to discuss the audit tender.

As announced in our half-year report 2025, the Committee conducted a thorough audit tender process in the second half of 2025. In December 2025, the Committee recommended to the Board the appointment of Ernst and Young LLP as the Group's new external auditor for the year ending 31 March 2028, replacing KPMG LLP. A resolution will be proposed at the 2027 AGM for shareholders to approve the appointment of Ernst and Young LLP. Further detail on the tender process we completed is included within this report.

Over the course of the year, the Committee spent a considerable amount of time on the Group's transformational technology roadmap. This captures the Group's broader IT strategy, cyber security including the maturity of systems and controls across both the Group and its portfolio companies, as well as key system implementations, including the ERP system, enhancements to the investment management system, and the development of the Group data platform. The Committee also considered the potential opportunities arising from advances in AI across the Group and its portfolio, as well as its potential risks.

During the year, we received a request for information¹ from the Financial Reporting Council ("FRC") following the inclusion of our Annual Report and Accounts for the year ended 31 March 2025 in their sample review of investment trusts, venture capital trusts, and similar closed-ended entities. We responded to their request and it was concluded that no significant adjustments were required. We have, however, incorporated minor enhancements in the Annual report and accounts for the year ended 31 March 2026.

The Committee reviewed an update on management's implementation of Provision 29 of the UK Corporate Governance Code (2024) (the "Code"), in preparation for

the Group's first declaration on the effectiveness of material controls in its Annual report and accounts for the year ending 31 March 2027. During FY2026, the Group refined its principal risks and developed its existing Key Risks and Controls Register, strengthening the identification of material controls, clarifying ownership and enhancing Board oversight of internal control and effectiveness. The Committee will continue to review and enhance the Group's processes and documentation to ensure the Board is well positioned to support a robust and meaningful declaration under Provision 29.

In advance of each Committee meeting, I met with the Group Finance Director, the Chief Operating Officer and the Heads of Compliance and Internal Audit to discuss their reports as well as any relevant issues. I also met privately with KPMG as part of my ongoing review of their effectiveness and, periodically, with other members of the 3i senior management team. I continue to have regular discussions and planning meetings with management and KPMG on delivering an effective audit.

As noted in the Chair's statement, I will be retiring from the Board following the 2026 AGM and I am pleased to confirm that Hemant Patel will become the next Chair of the Audit and Compliance Committee.

The rest of the report sets out in detail the Committee's activities in the year. It is structured as follows:

- **Governance**
- **Report on the year**
- **Areas of accounting judgement and control focus**
- **Internal audit**
- **External audit**
- **Risk management and internal control effectiveness**

I look forward to engaging with you on the work of the Committee.

Stephen Daintith
Chair, Audit and Compliance Committee
13 May 2026

¹ 1 FRC scope and limitations of review see page 135.

Audit, risk and control continued

Audit and Compliance Committee report continued

What the Committee reviewed in FY2026

Financial and non-financial reporting

- Annual and half-year reports and quarterly performance updates
- Key accounting judgements and estimates
- Update on the relevant thematic reviews from the FRC
- Reviewed the Annual report to ensure that it is fair, balanced and understandable, including APMs
- Going concern, Viability statement
- Sustainability disclosure enhancements including TCFD reporting and science-based targets

External audit

- Confirmation of the external auditor independence
- Policy and approval for non-audit fees
- FY2026 audit plan, including significant audit risk (being the valuation of the unquoted investment portfolio)
- Audit results report, including the results from testing Key Audit Matters
- External auditor performance and effectiveness
- The Group’s audit tender process, completed in December 2025

Internal control, compliance and risk management

- Review of 3i’s system of risk management and internal control for its effectiveness
- Internal audit reports assessing internal control, processes, fraud and matters relevant to financial reporting
- Review of the Viability statement and the supporting stress test scenarios
- Update on cyber security and penetration tests
- Business resilience including IT and disaster recovery
- Annual staff verification exercise
- Provision 29, the implementation approach, timeline and identification of material controls
- Audit and assurance policy

Risk review

- Valuation Committee reports and recommending the investment portfolio valuation to the Board
- Review of investment themes from portfolio company review process and portfolio performance including sustainability themes and risks
- Regular reviews of compliance with regulatory rules and compliance monitoring findings
- Annual tax update and reports on tax policy and strategy
- Reports from the Group Risk Committee (“GRC”) and the risk log
- Update on litigation matters

Governance

All members of the Committee are independent non-executive Directors. The Board believes members have the necessary range of financial, risk, control and commercial experience required to provide effective challenge to management. In particular, the Board is satisfied that Stephen Daintith and Hemant Patel have the recent and relevant financial experience as outlined in the Code and the Committee as a whole has competence relevant to the sector in which it operates. The attendance of members at meetings is shown in the table on page 130.

The Committee meets privately for part of its meetings and also has regular private meetings with the External auditor, the Group Finance Director, the Chief Operating Officer, the Head of Internal Audit and the Head of Compliance in the absence of other members of the management team.

Report on the year

The review work of the Committee in the past year is summarised in the table on this page. This work included the assessment and evaluation of the areas of significant accounting judgement, and monitoring the effectiveness of 3i’s risk management framework as described in more detail later in this section. In addition, the Committee focused on a number of topics, which are set out below.

Taxation

The Committee received an annual update from the Group Tax Director on the Group’s taxation status which covered liaison with fiscal authorities in the UK and other jurisdictions, relevant external developments, and material tax projects.

Audit, risk and control continued

Audit and Compliance Committee report continued

Cyber security and IT

The Committee also received an annual update on cyber security and key IT projects. There were no serious cyber incidents reported in the year and the Committee noted the work undertaken to: further enhance 3i's cyber security maturity and detective and protective controls; enhance business operational resilience and manage third party IT supplier risk; and maintain staff training and awareness on cyber security risks. An update on a programme to assess the cyber maturity posture of 3i's portfolio companies was also received. The update on IT covered 3i's latest 3-year IT strategy incorporating AI, Data, Cyber Security, IT infrastructure, IT Operations and Enterprise Applications. Progress on key systems projects was reported including a replacement of the ERP system, a major upgrade of our Investment Management system and the implementation of a new data integration platform.

Going concern and viability

The Directors are required to make a statement in the Annual report and accounts as to 3i's viability. The Committee provides advice to the Board on the form and content of the statement, including the underlying assumptions. In advance of the year-end the Committee reviewed the Group's proposed stress test scenarios to support the going concern basis and Viability statement. At the year end, the Committee evaluated a report from management setting out its view of 3i's viability and content of the proposed Viability statement.

This report was based on the Group's strategic plan and covered forecasts for investments and realisations, liquidity and gearing, including forecast outcomes of the stress tests and forecast capital and liquidity performance against an assessment of the Group's risk profile. It incorporated the 31 March 2026 valuations and consideration of a range of economic outcomes. The Committee discussed whether the choice of the three-year period remained appropriate and concluded that it remained the most appropriate period and provided more certainty on the Group's performance due to the nature of the Group's business and its risk appetite to invest in Private Equity and Infrastructure investments for a period of four to six years, whilst acknowledging the reduced reliability of assumptions in the later period of the plan.

[➤ See our Resilience statement pages 137](#)

The Directors believe the Group has sufficient financial resources and liquidity, is well placed to manage business risks in the current economic environment, and can continue operations for a period of at least 12 months from the date of issue of these financial statements. The Directors have also considered key dependencies set out within the Risk management section including investment and operational requirements.

Taking into account the assessment of the Group's stress testing results and its risk appetite statement on page 94, the Committee agreed to recommend the Viability statement and three-year viability period which was subsequently approved by the Board.

Areas of accounting judgement and control focus

The Committee pays particular attention to matters it considers to be important by virtue of their complexity, level of judgement and potential impact on the financial statements and wider business model. Significant areas of focus considered by the Committee are detailed on the next page, alongside the actions taken by the Committee (with appropriate challenge from the External auditor) to address them.

Audit, risk and control continued

Audit and Compliance Committee report continued

Areas of accounting judgement and control focus

	Area of significant attention	What the Committee reviewed and concluded
<p>Valuation of the proprietary capital investment portfolio</p>	<p>The most material area of judgement and estimation in the financial statements, and noted as a significant risk and Key Audit Matter by the External auditor, relates to the valuation of the unquoted investment portfolio, which, at 31 March 2026, was £30,828 million, or 94% of gross assets, under the Investment basis.</p> <p>In recognition of the importance of this area, the Board has a Valuations Committee to review the valuations policy, process and application to individual investments. The Valuations Committee provides quarterly oral reports to the Audit and Compliance Committee and the Board, supported by the relevant minutes of the Valuations Committee.</p>	<p>On behalf of the Board, the Committee received and evaluated quarterly reports from the Chair of the Valuations Committee and the External auditor, with particular focus on the assumptions supporting the valuation of unquoted asset investments, any valuation uncertainties and the proposed disclosures in the financial statements. Members of the Committee also attend the Valuations Committee meetings.</p> <p>The detail on the key valuation considerations and the review and challenge undertaken in the year is included in the Valuations Committee report on pages 141 to 145.</p> <p>The Committee also reviewed and concluded that no fair value adjustment should be made to the investment entity subsidiaries' NAVs and judgement for control is appropriate for those investees and funds consolidated within the Group.</p>
<p>Fair, balanced and understandable and the presentation of 3i's reports and accounts</p>	<p>Under the Code, the Board should establish arrangements to ensure the Annual report presents a fair, balanced and understandable assessment of the Group's position and prospects.</p> <p>The Group prepares the non-GAAP Investment basis financial statements to provide a disaggregated view of the underlying portfolio alongside the IFRS basis to aid in the understanding of the results and performance of the underlying portfolio.</p>	<p>The Committee reviewed the half-yearly and annual financial statements, as well as the quarterly performance updates, with management, focusing on the integrity and clarity of disclosures and enabling the Board to provide the fair, balanced and understandable confirmation to shareholders in the Annual report and accounts 2026.</p> <p>In forming this view, the Committee concluded that the narrative is consistent with the underlying financial information, reflects both positive and adverse developments, and clearly explains key judgements and uncertainties, supporting transparency and understandability for shareholders.</p>

Internal audit

The Committee continued to monitor the scope, activity, and resources of the Group's Internal Audit function, including approving the internal audit plan and assessing whether its operating model remained effective and in line with relevant professional standards. The Committee receives quarterly updates on internal audit activity, including the results of reviews of 3i's investment offices and professional services teams; updates on outstanding agreed actions from previous reports; and any changes to the audit plan in response to business developments or new areas of higher risk. In March 2026, the Committee also conducted its annual review of the Internal Audit Charter and formally re-approved it.

In the absence of an external quality assessment in FY2026, the Committee also received an effectiveness self-assessment from the Head of Internal Audit which is designed to assist the Committee in its monitoring of the function. Based on reports and other evidence seen, and meetings held over the course of the year, the Committee concluded that the Internal Audit function remained effective.

External audit

The Committee has responsibility for making recommendations to the Board on the appointment of the External auditor, determining its independence from the Group and its management and agreeing the scope and fee for the audit.

Auditor independence

The Group has a policy for setting out what non-audit services can be purchased from the firm appointed as External auditor or a member of the firm's network. The aim of the policy is to support and safeguard the objectivity and independence of the External auditor and to comply with the FRC's Ethical Standards for auditors. It also ensures that where fees for approved non-audit services are greater than a pre-determined limit, they are subject to the Committee Chair's prior approval.

Audit, risk and control continued

Audit and Compliance Committee report continued

The policy permits certain non-audit services to be procured, following approval, when the Committee continues to see benefits for the Group in engaging KPMG. Examples of this include work:

- that is closely related to the external audit as described in para 5.36 of the FRC's Ethical Standards;
- where a detailed understanding of the Group is required; and
- where KPMG is able to provide a higher quality and/or better value service than other potential providers.

The key principle of our policy is that permission to engage the External auditor will always be refused when a threat to independence and/or objectivity is present or perceived or without any proper safeguards in place. In line with the FRC's Ethical Standards, 3i will not generally use KPMG for any non-audit services (unless explicitly permitted) that are not closely related to KPMG's role as 3i's External auditor. This includes tax and legal, consulting and investment-related services such as due diligence.

All proposals for services with KPMG must be forwarded to the Chief Operating Officer in the first instance and will require approval by the Chair of the Audit and Compliance Committee above a defined limit and provided the work is not closely related to KPMG's role as 3i's External auditor. Examples of services that require additional approval include:

- the fee exceeds £100,000; or
- the service is work other than services closely related to KPMG's role as 3i's External auditor.

Smaller engagements with fees of less than £100,000 and services that are explicitly permitted and are not considered closely related to the audit are approved by the Chief Operating Officer on behalf of the Committee.

KPMG has reviewed its own independence in line with these criteria and its own ethical guideline standards.

This includes the review of due diligence processes undertaken within the Group's investment activities. KPMG has confirmed to the Committee that following its review it is satisfied that it has acted in accordance with relevant regulatory and professional requirements.

Audit tender

KPMG were appointed the Group's external auditor in June 2020 and started the audit for the year end 31 March 2021. In light of the Group's complex independence requirements and the natural inflection point created by lead partner rotation, the Board decided to undertake a competitive audit tender process, that would conclude with the appointment of an auditor to take effect from the financial year ending 31 March 2028, at which point KPMG will have completed seven years as auditor.

The comprehensive audit tender process formally commenced in the summer of 2025 and followed the Financial Reporting Council Audit Committee and External Audit Minimum Standard. The Chair of the Audit and Compliance Committee led the process and oversaw the work of management, who supported the Committee in developing and executing the planned approach. The Chair met regularly with the tender project team, comprising the Group Finance Director and the Group Chief Operating Officer, and provided input on tender materials before they were issued to either the Committee or participating firms.

The tender process was competitive, with three of the Big Four audit firms, including the incumbent, participating through to the final stages. While no non-Big Four firms were formally excluded, the Committee concluded that the Big Four firms were better placed to meet the Group's requirements, particularly in terms of sector expertise. One of the Big Four firms, along with a non-Big Four firm that acts as auditor to certain fund entities within the Group, did not participate in the tender process due to independence restrictions.

The Committee assessed each of the tendering firms against a number of criteria, including but not limited to; organisational capability and service delivery, team capability and fit and overall audit approach, including valuation of unquoted investments. The Committee also considered analysis of the RfP submission, audit workshops with Company management, reference calls on the lead audit partners, performance of the firms in the FRC's Audit Quality Reviews, issued in July 2025 and performance of the firms in the final presentations to the Audit and Compliance Committee.

The Committee concluded that Ernst & Young LLP scored higher in a significant majority of the selection criteria. In line with FRC guidelines, the Committee recommended a first (Ernst & Young LLP) and second placed firm to the Board supported by a rationale for the recommendation to appoint Ernst & Young LLP as the Group's external auditor. Planning for the transition to EY has commenced, including steps to ensure that they are fully independent by 1 April 2027.

KPMG LLP will continue in the role of the Group's external auditor for the financial years up to 31 March 2027, subject to shareholder approval. Ernst & Young LLP will take effect as the Group's external auditor from, and including, the financial year ending 31 March 2028, subject to shareholder approval at the 2027 Annual General Meeting.

Audit, risk and control continued

Audit and Compliance Committee report continued

Audit and non-audit fees

The total audit fee for the year was £2.9 million (2025: £2.9 million). Non-audit fees paid to the External auditor were £0.4 million (2025: £0.4 million). Non-audit service fees represent 14% of the audit fee and remain well within the cap of 70% of the average audit fee over the previous three years. The Committee concluded that these fees fell within its criteria for engaging KPMG and do not believe they pose a threat to the External auditor's independence or objectivity.

Assessing external audit effectiveness

The Committee reviews the effectiveness of KPMG through the use of questionnaires completed by management, by considering the extent of its contribution at Committee meetings throughout the course of the year, and in one-to-one meetings.

The FY2026 evaluation also reviewed the quality of the audit process, the use of KPMG's valuation specialists to support the audit of the portfolio valuations and the technical knowledge of the team.

The Committee concluded that the audit was effective and that there should be a resolution to shareholders to recommend the re-appointment of KPMG LLP at the 2026 AGM.

Risk management and internal control framework

The Committee oversees, on behalf of the Board, the effectiveness of the Group's risk management and internal control framework. The overall framework is reviewed by the Committee in line with the FRC's Corporate Governance Code Guidance.

The Group Risk Committee, Executive Committee and senior managers provide regular updates to enable the Committee assess the Group's principal risks, mitigation plans and any significant new risks, themes or developments.

The Group Risk Committee reports on the assessment of principal, new and emerging risks and how they are managed or mitigated in the context of the Group's strategic objectives and risk appetite. Reports also cover key sustainability risks and developments for both the Group and the investment portfolio. Further details are set out in the Risk management section on pages 94-104.

The Committee receives reports on the operation of the Group's internal control system, including controls over financial reporting. External reporting follows an established input, review and verification process on which the Committee is briefed and consulted.

Details of the Committee's reviews in FY2026 are set out on pages 131 and 133. A summary of the key control framework is set out on page 136.

Review of effectiveness

For monitoring and reporting purposes, a significant control failure or weakness is one that results in, or could result in, a material misstatement in the financial statements or loss to the business, or could cause significant reputational damage, penalties or sanctions

The External and Internal Auditors explain their respective reporting frameworks, including materiality limits and risk ratings, so the Committee understands how these definitions are applied when assessing the nature and severity of findings and the adequacy of remediation plans

In reviewing the risk management and internal control framework, the Committee considers the updates and reports described above, together with an annual effectiveness review from Internal Audit and the External Auditor's end-of-audit report. The Executive Committee (supported by their direct reports) signs an annual control attestation, the results of which are reported by Internal Audit. The Committee also reviews the Group's anti-fraud programme and the use of the whistleblowing facility

The Committee completed its annual review of effectiveness and reported its conclusions to the Board. The Board noted that the system operated throughout the year under review and up to the date of approval of the Annual report and accounts 2026, and that no significant control failings or weaknesses requiring remedial action were identified.

FRC Scope and limitations of its review:

- 1 The FRC review is based on 3i's annual report and accounts and does not benefit from detailed knowledge of 3i's business or an understanding of the underlying transactions entered into. It is, however, conducted by staff of the FRC who have an understanding of the relevant legal and accounting framework.
- 2 This, and any subsequent letter, provides no assurance that 3i annual report and accounts are correct in all material respects; the FRC's role is not to verify the information provided to it but to consider compliance with reporting requirements. The FRC's letters are written on the basis that the FRC (which includes its officers, employees and agents) accepts no liability for reliance on them by the company or any third party, including but not limited to investors and shareholders.

Audit, risk and control continued

Audit and Compliance Committee report continued

Summary of key control framework

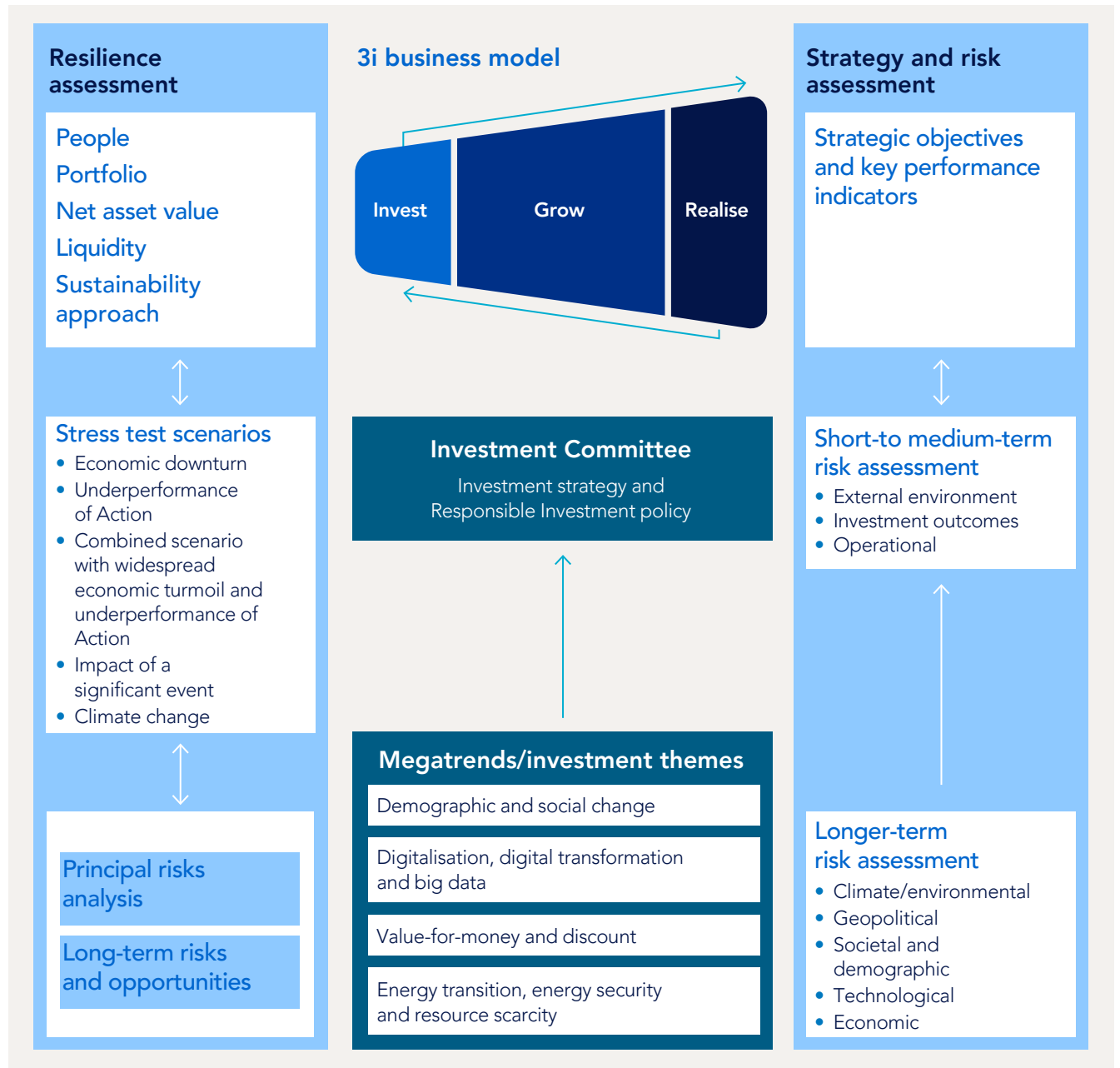
Investment process	<ul style="list-style-type: none"> • Due diligence process • Investment procedures • Investment Committee review and approval • Sustainability assessment • Responsible Investment policy 	People and culture	<ul style="list-style-type: none"> • Values framework and HR policies • Performance management framework • Remuneration policies • Conduct and compliance policies and monitoring • Succession planning process
Investment portfolio companies	<ul style="list-style-type: none"> • 3i Board representatives • Active management of senior appointments • Minimum sustainability requirements 	Advisory relationships	<ul style="list-style-type: none"> • Pre-approved suppliers of investment due diligence services • Tendering and approval process for other advisers, eg legal, tax • Monitoring of performance and patronage • Confidentiality and conflicts management
Investment portfolio management	<ul style="list-style-type: none"> • Procedures for portfolio management • Monthly portfolio company dashboards and performance monitoring • Six-monthly investment and portfolio company reviews, including reporting against sustainability requirements 	Third-party service suppliers	<ul style="list-style-type: none"> • Use of 3i's Supplier Relationship Management tool • Required contractual protections, eg data security and business continuity • Oversight and governance frameworks for critical suppliers • Independent service organisation reports
Viability and going concern	<ul style="list-style-type: none"> • Stress testing methodology and modelling • Analysis of assets and liabilities • Capital adequacy review process • Group strategy and liquidity forecasting models 	Balance sheet management	<ul style="list-style-type: none"> • Treasury policy and control framework • Liquidity monitoring framework • Fund transfer and release controls • Portfolio concentration and vintage control monitoring framework • FX hedging programmes
Valuations process	<ul style="list-style-type: none"> • Approved Valuations policy • Investment and portfolio company review processes • Central oversight by the Valuations team, Investment Committee and Valuations Committee 	Change management	<ul style="list-style-type: none"> • Approval process for changes to corporate structure or new products/business areas • Ongoing monitoring of legal and regulatory changes • Active participation and engagement with government, regulators and trade bodies • Business systems project governance and oversight
Financial reporting	<ul style="list-style-type: none"> • Framework of key financial controls and reconciliations • Portfolio, fund and partnership accounting processes • Documented analyses of complex transactions and changes in accounting requirements and disclosures • Operating expense budget 	IT systems and security	<ul style="list-style-type: none"> • IT governance and policy framework • Access and data security controls • Back-up and disaster recovery procedures and testing • IT and cyber security monitoring and control framework, and regular penetration tests • Staff cyber security awareness training

Audit, risk and control continued

Resilience statement

Our resilience is dependent on the success of our investment strategy, careful management of our balance sheet and costs, and the ability to attract and retain a capable and diverse team. This is underpinned by a strong institutional culture and values, robust corporate governance, and effective risk and operational management.

Our resilience assessment draws upon a number of interdependent components, illustrated below. Further information can be found in the sections on the Group’s business strategy (pages 16 to 23), Approach to risk management (pages 94 to 104) and Sustainability (pages 49 to 81).



Audit, risk and control continued

Resilience statement continued

Short-term resilience

In assessing our short-term resilience, we undertake regular portfolio monitoring, including six-monthly strategic portfolio company reviews and monthly trading updates for each portfolio company. These reviews highlight and appraise sources of risk at a portfolio company level and feed into the quarterly valuation process. Regular portfolio updates are provided to the Board and Audit and Compliance Committee.

We also carry out periodic assessments of the Group's operational resilience, including key people risks, IT systems and security infrastructure, and critical third-party suppliers.

Active management of liquidity underpins our short-term resilience, which is supported by the ready availability of short-term funding and a conservative balance sheet policy that ensures a low level of structural gearing at the holding company level.

The identification of material uncertainties, that could cast significant doubt over the ability of the Group to continue as a going concern, forms the basis of the Directors' Going concern statement below.

Going concern statement

Going concern is assessed for a period of at least 12 months from the date of approval of the Annual report and accounts. The Directors are required to evaluate whether the Group has adequate resources to continue in operational existence for at least the next 12 months. The Directors have made an assessment of going concern, taking into account both the Group's current performance and outlook using the information available up to the date of issue of these financial statements.

In carrying out their assessment of going concern and short-term resilience, the Directors considered a wide range of information, including:

- details of the Group's strategy, risk appetite, and business and operating models;
- information on the Group's principal risks and mitigation plans;
- a summary of the financial position considering performance; and
- current market volatility and geopolitical and economic uncertainties.

The Group monitors its funding position and its liquidity risk throughout the year to ensure it has access to sufficient funds to meet forecast cash requirements.

At 31 March 2026, the Group remained well funded with liquidity of £1,864 million (31 March 2025: £1,323 million). Liquidity comprised cash and deposits of £664 million (31 March 2025: £423 million) and undrawn RCF of £1,200 million (31 March 2025: £900 million). The Group monitors its liquidity regularly, ensuring it is adequate and sufficient. This is underpinned by the monitoring of investments, realisations, foreign exchange hedging (including the liquidity impact of the Group hedging programme), operating expenses and receipt of portfolio cash income.

Liquidity is also central to the Group's dividend policy to maintain or grow the dividend year-on-year. This policy is subject to maintaining a conservative balance sheet approach and is therefore informed by the outlook for investment and realisation levels. Allowing the Group to exercise discretion over the level of dividends paid ensures that the Directors can recommend a sustainable dividend which takes into account the need to maintain liquidity for new investment and operating expenses.

The Directors have acknowledged their responsibilities in relation to the financial statements for the year to 31 March 2026. After making the assessment on going concern and short-term resilience, the Directors considered it appropriate to prepare the financial statements of the Company and the Group on a going concern basis.

The Group has sufficient financial resources and liquidity and is well positioned to manage business risks in the current economic environment and can continue operations for a period of at least 12 months from the date of this report. The Directors have concluded that there are no material uncertainties or risks that could cast significant doubt over the short-term resilience of the Group or its ability to continue as a going concern over the duration of that period based on investment and operational requirements.

Medium-term resilience

The assessment of medium-term resilience, which includes the modelling of stress tests and reverse stress tests, considers the viability and performance of the Group in the event of specific stressed scenarios which are assumed to occur over a five-year horizon in line with the Group's strategic planning process.

The stress testing focuses upon the principal risks, but also considers those new and emerging risks which are considered to be of sufficient importance to require active monitoring by the GRC; these include, for example, the risk of underperformance in specific assets in the portfolio and the impact of climate change. The medium-term resilience of the Group is examined through analysing the impact of these scenarios on key metrics such as net asset value and liquidity.

In each stress test scenario, the Group remains viable. The medium-term resilience of 3i is further supported by the availability of controllable management actions that can mitigate the impact of certain stress events. These actions include, for example, the flexing of investment and dividend levels for liquidity purposes.

Audit, risk and control continued

Resilience statement continued

Viability statement

The stress testing as detailed above forms the basis of the Viability statement. 3i conducts its strategic planning over a five-year period; the Viability statement is based on the first three years, which reflects our long-term hold investments in Action and Royal Sanders, and the Group's risk appetite to invest in Private Equity and Infrastructure investments for a period of four to six years and, therefore, provides more certainty over the forecasting assumptions used. The Directors assess 3i's viability and medium-term resilience over a three-year period from the date that the Annual report and accounts is approved. 3i's strategic plan and associated principal risks, as set out on pages 100 to 104, are the foundation of the Directors' assessment.

The assessment is overseen by the Chief Operating Officer and Group Finance Director and is subject to challenge by the GRC, review by the Audit and Compliance Committee and approval by the Board.

The Group's strategic plan projects the performance, net asset value and liquidity of 3i over a five-year period and is presented at the Directors' annual strategy meeting in December and updated during the year as appropriate. At the strategy meeting, the Directors consider the strategy and opportunities for, and threats to, our long-term hold assets, Private Equity and Infrastructure and the Group as a whole. The outcome of those discussions is included in the next iteration of the strategic plan which is then used to support the assessment of viability and medium-term resilience. The current iteration of the strategic plan reflects the current macro-economic headwinds and geopolitical uncertainty.

The Group's viability testing considers multiple severe, yet plausible, individual and combined stress scenarios. These scenarios include a range of estimated impacts, primarily based on providing additional support to portfolio companies as a result of a downturn and delaying the Group's ability to realise and make new investments. A key judgement applied is the extent of the impact of certain market and economic developments, including the outlook on interest rates, inflation and economic growth. The scenarios tested are as follows:

- **widespread economic turmoil** – considers the impact of a recession, triggered by persistent inflation, a marked slowdown in global economic growth, and weak consumer demand;
- **underperformance of Action** – considers the impact if 3i's largest asset, Action, was to suffer an extreme downturn in performance;
- **combined scenario with widespread economic turmoil and underperformance of Action** – considers both scenarios occurring at the same time;
- **impact of a significant event** – considers the impact of a loss in value of certain portfolio companies following a material event such as significant operational underperformance, covenant breaches, fraud, a cyber security breach or other sustainability issues; and
- **climate change** – considers the impact of climate change on 3i's portfolio, driven by changes in consumer behaviour, regulations, and other physical and business risks.

The assessment projects the amount of capital the Group needs in the business to cover its risks, including financial and operational risks, under such stress scenarios. The results of each of the stress test scenarios indicate that the Group is able to meet its obligations as they fall due for the viability period over three years from the date of approval of these financial statements by, in certain cases, making use of controllable management actions. In all these scenarios the Directors expect the Group to be able to absorb the impact on NAV, whilst the liquidity and solvency of the Group is protected.

Mitigating actions within management control include reducing new investment levels, dividend levels and drawing on the existing RCF. The analysis shows that, while there may be a significant impact on the Group's reported performance in the short term under a number of these scenarios, the resilience and quality of the balance sheet is such that solvency is maintained, and the business remains viable.

As part of the assessment of viability and medium-term resilience, the Group also undertakes reverse stress testing to identify the circumstances under which the Group's business model would no longer remain viable. These circumstances include a prolonged delay in the projected realisation date of investments, at the same time as continued investment by the Group at a level not supported by the liquidity forecast. In the absence of any mitigating management actions, these reverse stress tests determine the point at which the Group would lack the liquidity to remain viable. Overall, the reverse stress tests are sufficiently improbable as to provide a low risk of impact to the Group's viability and medium-term resilience. In practice, in the event of a market downturn and a significant delay in realisations, mitigating actions within management control would be exercised to provide sufficient liquidity.

Audit, risk and control continued

Resilience statement continued

Taking the inputs from the strategic planning process and its stress scenarios, the Directors reviewed an assessment of the potential effects of 3i's principal risks on its current portfolio and forecast investment and realisation activity, and the consequent impact on 3i's capital and liquidity.

Based on this assessment, the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet all their liabilities as they fall due up to at least the end of the three-year period of the assessment.

Long-term resilience

The long-term resilience of our business is underpinned by our capabilities as a leading investor in Private Equity and Infrastructure assets, including our long-term hold assets, and our effective risk management of the core elements of our business model (pages 20 and 21). This includes our long-term responsible approach to investment, conservative balance sheet strategy and an effective team built on a consistent set of shared values.

Fundamental to our long-term resilience is our investment strategy. We invest capital in businesses to deliver capital returns and portfolio and fund management cash income to cover our costs, and increase returns to our investors. Our long-term investment horizon is possible because we have a permanent capital base and are not driven by fundraising cycles. We adopt a sector and thematic approach to origination and portfolio construction which in turn supports long-term sustainable growth in the portfolio.

Crucially, this investment approach can be adapted in response to new and emerging risks and challenges including geopolitical uncertainty, climate change, societal and demographic trends and technological changes. It also informs decision taking on portfolio realisations enabling the composition of the investment portfolio to evolve over time.

The analysis and management of our principal risks is focused on the short to medium term, and used as a basis to develop a range of stress test scenarios. Although these are modelled over a five-year horizon, the resilience shown by the Group, and its ability to recover from these stressed situations, supports the assessment of our resilience over a longer term. The availability and effectiveness of management actions employed in the stress testing scenarios demonstrates the flexibility with which we can respond to new and emerging risks.

Audit, risk and control continued

Valuations Committee report

Committee membership

Committee membership	Meetings
Peter McKellar (Chair)	4(4)
Simon Borrows	4(4)
James Hatchley	4(4)
David Hutchison	4(4)
Lesley Knox	2(4)
Alexandra Schaapveld	4(4)

The column above headed "Meetings" shows the number of meetings of the Committee attended by each member during the year, together with, in parentheses, the number of meetings they were entitled to attend. Other regular attendees at the Committee include the following: Audit and Compliance Committee Chair; Chief Operating Officer; Group General Counsel; Managing Partners of Private Equity; Director of Group Reporting and Valuations; and the External Auditor, KPMG LLP.



I am pleased to present the Valuations Committee report for the year ended 31 March 2026. My report explains the role of the Committee, as well as the work we reviewed this year.



Peter McKellar
Chair, Valuations Committee



Dear Shareholder

The Valuations Committee plays a key role in providing the Board with assurance that the valuation methodology and process are robust and independently challenged. During the year, we met four times as part of the Group's external reporting timetable. We reviewed and challenged the assumptions behind management's proposed asset valuations and reported to the Audit and Compliance Committee and the Board.

Throughout recent previous global disruptions, such as the pandemic and Russia's invasion of Ukraine, our robust portfolio management processes have enabled our teams to quickly assess the impact on portfolio companies and implement mitigation actions, where required, to protect value. This has positioned us well to respond to the most recent Middle East conflict and its associated impacts. Across our portfolio, we have limited direct exposure to the Middle East through either portfolio company operations or revenue generation. However, we continue to monitor both direct and indirect impacts, particularly in the event of an extended period of disruption.

Across FY2026, we have maintained our usual rigour in assessing and challenging key valuation inputs, including earnings and multiples across the portfolio. Over the past 12 months, our portfolio has navigated a challenging macroeconomic environment, characterised by heightened geopolitical tensions. Against this backdrop, our long-term hold assets, Action and Royal Sanders, have continued to deliver strong performance, whilst we have seen positive contributions from a number of our other consumer and private label businesses. The remainder of the portfolio has performed resiliently.

Across the portfolio, less than 1% of assets by value operate in the software sector. We expect advances in AI to present opportunities to enhance value creation across some parts of our portfolio companies, but we remain cautious and are monitoring actively the potential risks and challenges that may also arise.

The Committee's focus this year continued to be on assessing the maintainability of earnings in the context of both historical and forecast performance, testing the quality of normalisations, and evaluating the assumptions underpinning the valuation multiples applied in the face of uncertain monetary policy and volatile market movements. For assets requiring a higher degree of judgement, the Committee reviewed the triangulation ranges prepared by management, and for those assets, that have successfully been exited, the corresponding back-testing analysis was reviewed.

As the most significant asset by value for the Group, we continue our focus on the valuation of Action, for which the valuation methodology used, an earnings basis, is in line with the vast majority of our other Private Equity portfolio companies.

Specifically on Action, the Committee discussed with management the components of the Action results in FY2026 and the outlook for 2027. This informed an assessment of the relative performance of Action on a range of relevant KPIs compared to the most relevant external peers and, in turn, supported the 18.5x run-rate EBITDA multiple used to value Action. This valuation was further supported by DCF analysis.

In FY2026 we completed a number of further investment transactions in Action, which also involved third-party investors, both buying and selling stakes in Action. Two of the transactions involved acquiring a significant stake from a limited partner in exchange for issuing 3i Group plc shares. Each of these transactions were executed at the previous published valuation at that date, reinforcing the appropriateness of our valuation methodology for Action.

Further details on the Action valuation can be found on page 144. Our valuation process is well-controlled, rigorous, and robust, guided by a Group Valuation Policy aligned with the IPEV principles. Following the update to the IPEV guidelines in December 2025, we enhanced our Group Valuation policy where required.

Audit, risk and control continued

Valuations Committee report continued

Independent challenge by both management and this Committee is integral to our process, particularly in key areas of judgements, such as earnings maintainability, appropriate multiples, and discount rates. We apply the same discipline across all asset classes, including in our role as manager to 3iN.

The recent exit transactions of MPM, MAIT and TCR continue to validate our valuation approach, with the premium on exit primarily driven strength of their performance and competitive tension in the exit process. We complete back-testing of realisations to help inform on our valuation process.

Our principal focus is the Group's unquoted investments in Private Equity and Infrastructure, as a high level of judgement is required to value this portfolio of assets. This portfolio accounts for 97% of 3i's investment portfolio. The valuation of the Group's largest Infrastructure investment, namely the quoted holding in 3iN, represents 3% of 3i's investment portfolio, and the valuation is based on the share price of 3iN at the relevant balance sheet date.

+ **Valuations Committee's terms of reference**
www.3i.com/investor-relations/governance

At each Committee meeting, we received a detailed report from the Group Finance Director and Chief Operating Officer recommending the proposed valuation of the Group's investment portfolio. This report highlights the main drivers of value movement, analysed between performance (movement in earnings and net debt), multiple movements and other factors. At each meeting, we also reviewed selected assets for detailed discussion; examples of such assets covered during the year included Action, SaniSure, ten23 health, Cirtec Medical and Wilson.

I met the Group Finance Director and Chief Operating Officer in advance of each meeting to discuss the key valuation assumptions and to review management's paper before circulation. I also met the External auditor, KPMG, privately to discuss the results of its quarterly reviews. These reviews challenged management's approach to valuations, the selection of comparable multiples and the relevance of earnings adjustments.

Additionally, KPMG selected a sample of 14 assets, equivalent to 90% of the 31 March 2026 unquoted portfolio by value, across the half-year and full-year ends, for an in-depth review by its specialist valuations team to help to derive an independent valuation range. This means that over the course of two to three years, KPMG have completed an in-depth review on all of our material assets. As part of KPMG's valuation procedures, they met with Action management at Action's headquarters in the Netherlands. In March 2026, KPMG and I discussed their approach to the year-end audit and their sample of assets selected.

In advance of the half-year and full-year ends, management hold portfolio company review ("PCR") meetings with the respective investment teams. Non-executive Directors, including myself, the Chair and members of the Committee, attended a significant proportion of the meetings held in September 2025 and March 2026. During the year, we also received presentations from the CEOs and senior management of Action, Royal Sanders, ten23 health, Cirtec Medical, Regional Rail and SaniSure, providing insight into performance and strategic priorities. In addition, we undertook site visits, including to Action's headquarters and retail operations and to a Royal Sanders' facility.

Our valuation methodology and process remain consistent. The valuation inputs for the Group's portfolio companies are reviewed on a case-by-case basis and considered against business plans, budgets, shorter and longer-term views on trading, and sector performance. Management considers various data points to support the fair value of investments, including estimates of run-rate and forecast earnings and the maintainability of these, in addition to historic earnings. Management also prepare a detailed annual three year look back analysis across the portfolio and performance against original investment case, helping to inform the Committee on longer-term trends.

The judgements applied and resulting valuations were discussed with the Committee and the External auditor throughout the year.

We embed an assessment of sustainability factors on our portfolio companies throughout our investment lifecycle. These assessments form part of our normal portfolio management process, and as part of our PCR process, which helps inform investment decisions, mitigation of risk and value creation opportunities. As part of our case-by-case review of our portfolio companies, the risks and opportunities from climate change and other sustainability factors are one of the considerations in the overall discussion on fair value.

The rest of this report sets out in more detail what the Committee did during the year.

Peter McKellar
 Chair, Valuations Committee

13 May 2026

Audit, risk and control continued

Valuations Committee report continued

The Committee focused on the following issues in FY2026:

Earnings and multiple assumptions

Area of significant attention

Of the total portfolio by value, 92% is valued using a multiple of earnings at 31 March 2026. The majority of assets are valued using their last-twelve-months ("LTM") earnings up to the prior quarter of the valuation date. When required, earnings of the portfolio company may be adjusted to what is considered "maintainable". We also apply a liquidity discount to the enterprise value determined, according to factors such as our alignment with management and other shareholders and our investment rights in the company. The liquidity discounts are generally set at 5% of the enterprise value of the company. In some cases, such as instances where we hold a minority stake, the discount rate can be higher.

There is also a significant degree of judgement in selecting the set of comparable quoted companies and transactions which are used as a key data point in determining the appropriate multiple to calculate an enterprise value. Multiples are selected by reference to the market valuation of quoted comparable companies, long-term averages of comparable companies, M&A transactions and input, in certain cases, from corporate finance advisers. We also take into account growth profile, geographic location, business mix, degree of diversification, and leverage/refinancing risk. The multiple implied by the quoted comparables may be adjusted if, in certain cases, the longer-term view (cycle or exit plan) supports the use of a different multiple.

This continues to be an important exercise given the market volatility we have seen as a result of the macro-economic and geopolitical environment. We continue to consider the impact of IFRS 16 and ASC 842 on the quoted comparable companies for those assets that report under local GAAP.

Private Equity assets are typically valued using a multiple of earnings. However, alternative valuation methodologies, such as a DCF valuation or a sum-of-the-parts, may be considered as an alternative benchmark for potential value or as a cross-check relative to the earnings-based valuation.

In the year, the Committee placed a key focus on:

- the budgets and projections for each portfolio company versus performance;
- the maintainability of earnings across LTM, forecast and run-rate earnings;
- the quality of earnings and the impact of one-off related normalisation adjustments;
- portfolio company leverage and covenant monitoring; and
- our long-term, through-the-cycle, view on multiples against the average of the quoted comparable peer sets.

What the Committee reviewed and concluded

Earnings data is received monthly from Private Equity portfolio companies and monitored closely by management. Actual earnings may be adjusted in management's proposed valuations, for example, to reflect a full year's trading of an acquired business, removing profit from discontinued activities, any forecast uncertainty or to exclude exceptional transaction costs. Material adjustments are highlighted to the Committee in the quarterly report for review. There are a number of earnings data points considered as part of the process, which may include LTM, forecast, budget and run-rate earnings.

At 31 March 2026, seven portfolio company valuation multiples, including Action, were valued above their peer set averages but remain within the peer set range. Notable changes in multiples, which commonly result from significant bolt-on acquisitions, a change in performance or a shift in market sentiment in that sector, are presented to and reviewed by the Committee at each meeting.

Valuation multiple movements see pages 40-41

Audit, risk and control continued

Valuations Committee report continued

The Committee focused on the following issues in FY2026:

Action

Area of significant attention

Action forms 75% of the total portfolio by value. Valued on a multiple of earnings basis, Action is the largest investment for the Group and, therefore, its valuation is a key area of focus.

Action saw good growth in its run-rate earnings in the 12 months to the end of its P3 2026 (which ended on 29 March 2026), driven by a record number of new store openings and a higher number of customers. Following a refinancing and capital restructuring event, Action returned £944 million of proceeds to 3i, in addition to £246 million of dividends. A number of transactions, including those with third-party investors, took place over the year, resulting in an increase in 3i's equity ownership from 57.9% to 65.4%. Two of these transactions involved the purchase of Action equity in exchange for 3i Group plc shares. Each of these transactions were executed at the previous published valuation at that date.

As part of the share issuance process in relation to the Group's Action transactions with GIC, Ernst & Young completed a review in accordance with Section 593 of the Companies Act 2006 that reviewed that the value of non-cash consideration was at least value of shares issued.

Action's financial period is audited annually covering the 12 months to the end of December. A limited assurance procedure is completed for Action's first quarter (Periods 1-3) by Action's auditors for Action management.

Action was valued using its run-rate earnings for the 12 months to P3 2026 of €2,653 million and a run-rate multiple of 18.5x (31 March 2025: 18.5x) after applying a liquidity discount of 5%.

When considering the multiple for Action we paid particular attention to the following areas:

- the appropriateness of the comparable peers from both a forward and backward-looking perspective, as well as broader market performance and through the cycle averages;
- the strength of Action's performance across its key performance indicators (including but not limited to: LFL sales growth, revenue and EBITDA growth, gross profit margin and EBITDA margin, number of stores opened and cash conversion) compared to its peers; and
- management also cross-checked the earnings-based valuation against a DCF model and considered a stress test scenario (see page 139)

What the Committee reviewed and concluded

The Committee noted Action's strong performance in the year, with a rapidly growing store base contributing to the overall growth in revenue and earnings.

The Committee reviewed the work done by management on the comparable peer set and Action's relative performance across its key performance indicators, as well as cross-checking to a DCF model. Furthermore the transactions, which included a number of investors both buying and selling their holdings, conducted throughout the year, provided good validation for 3i's carrying value.

The Committee agreed with management's approach to valuing Action on the basis of a multiple of earnings, but noted that the DCF model provides a useful reference point.

The Committee reviewed the run-rate adjustments and earnings normalisations to ensure a consistent valuation methodology was applied.



➤ Action case study see pages 26-33

Assets valued using a DCF basis

Area of significant attention

For assets valued using a DCF basis, which represent 3% of the total portfolio by value, the key valuation judgements relate to longer-term assumptions that drive the underlying business plan and cash flows and decisions on the appropriate discount rates and terminal value.

Amwaste, EC Waste, Regional Rail, Scandlines and Smarte Group, which are infrastructure type assets, are the significant investments valued using a DCF valuation basis. A DCF model also forms the most significant input into the valuation of ten23 health, which is valued on a sum-of-the-parts basis.

What the Committee reviewed and concluded

Material assumptions for the DCF valuations are reviewed by the Committee. Sensitivity to assumptions is also noted. Any material changes are reviewed by the Committee at each meeting.

Audit, risk and control continued

Valuations Committee report continued

The Committee focused on the following issues in FY2026:

Imminent sale assets

Area of significant attention

At any point in time, it is likely that a number of potential exit processes from the portfolio are underway. Judgement is applied by management as to the likely eventual exit proceeds and certainty of completion. This means that in some cases an asset may not be moved to an imminent sale basis until very shortly before completion; in other cases, the move may occur on signing, even if the time to completion is a period of some months.

However, as a general rule an asset moves to an imminent sale basis only when an exit process is materially complete and the remaining risks are estimated to be small, given the completion risk around unquoted equity transactions.

During FY2026, both MPM and MAIT were held on an imminent sale basis. Both sales were subsequently completed during the year. Management conducted back-testing analysis on both disposals. Within 3iN, TCR was valued on an imminent sale basis at the year end, with expected completion in Q3 2026.

What the Committee reviewed and concluded

Active sales processes are reviewed by the Committee, including details such as the timeline to potential completion, the number and make-up of bidders for investments, due diligence and execution risks, and regulatory or competition clearance issues. Management proposes a treatment for each asset in a sales process, which the Committee reviewed at each meeting.

MAIT and MPM see pages 37-38

Review process

As part of its challenge and review process, the Committee:

- considered the management information provided to support the Committee's review of the valuations, including management's responses to any challenges raised by Committee members or the External auditor;
- sought assurance from the External auditor as to whether and how they had considered the appropriateness of valuations and the underlying assumptions made;
- reviewed the consistency of the views of management and the External auditor and their valuation specialists; and
- reviewed and challenged the differential between carrying values and those implied by the multiples of comparable quoted companies and transactions.

The Committee was satisfied that the application of the valuation policy and process was appropriate during the period under review, and recommended the portfolio valuation to the Audit and Compliance Committee and the Board at each quarter end for approval by the Board.

In addition, the Committee is responsible for keeping the Group's valuation policy under review and recommending any changes to the policy to the Audit and Compliance Committee and the Board. The policy is reviewed at least annually, with the last update in January 2026, incorporating minor enhancements following the release of the IPEV guidelines in December 2025. Management was involved in the consultation process.

More information on our valuation methodology, including definitions and rationale, is included in Note 12 – Fair values of assets and liabilities starting on page 198 and in the portfolio valuation – an explanation section on page 234.

External audit

As part of the half year review and year-end audit, KPMG's specialist valuations team reviews a selection of investments to support its overall audit opinion on the financial statements as a whole.

Remuneration Directors' remuneration report

Committee membership

Committee membership	Meetings
Coline McConville	7(7)
Alexandra Schaapveld	7(7)
Lesley Knox	6(7)
Peter McKellar	7(7)



3i has delivered strong business performance in FY2026. During the year we have reviewed and updated our remuneration policy which continues to align Executive Director remuneration with performance and the shareholder experience.



Coline McConville
Committee Chair



Dear Shareholder

This letter summarises the key Executive Director remuneration issues considered by the Remuneration Committee in the year and the decisions we made.

During the year, the Committee reviewed the remuneration policy to ensure it remains fit for purpose, that it appropriately rewards and incentivises our Executive Directors and continues to align them strongly with shareholders. We also sought to ensure that the overall remuneration outcome this year properly reflected the impressive returns delivered by the business. In considering these matters, the Committee was sensitive to recent shareholder experience and sought to reflect this in its decision-making.

FY2026 performance

In our financial year to 31 March 2026 ("FY2026"), the Group generated a total return of £5,304 million (2025: £5,049 million), equivalent to a return of 22% (2025: 25%) on opening shareholders' funds. Net asset value ("NAV") increased to 3,030 pence per share (31 March 2025: 2,542 pence per share).

Global economic conditions during the year were largely shaped by geopolitical uncertainty and rising tensions, particularly in the Middle East. Across our principal markets, economic growth in Europe was subdued, while the US economy proved relatively resilient. Against this backdrop, consumers remained highly value-conscious, with discretionary spending tightly controlled.

Operating in this environment, Action continued to deliver its proven value proposition and to execute its expansion strategy successfully. The business delivered another year of strong operational performance, comparing favourably with its most relevant peers, opened a record number of stores and entered two new countries within a single year.

Reflecting our long-term conviction in the business, we increased our equity stake in Action meaningfully during the year through a combination of cash and non-cash

consideration, including the issuance of 3i Group plc shares, resulting in total investment of £2.6 billion.

Action remained the principal driver of the Group's return in FY2026. Royal Sanders, another long-term holding, also delivered strong performance and continued to play an important role as a consolidator in the fragmented private label personal care market.

Across the broader portfolio, consumer and private label remained our leading sector. We also experienced positive contributions from our Private Equity and Infrastructure portfolios. Only a small number of assets delivered softer performance, largely reflecting asset-specific factors or end-market conditions. We continue to monitor developments in artificial intelligence ("AI"); our current direct exposure through our software businesses remains limited.

As in FY2025, our investment activity remained focused on further investing in several of the strongest assets within our portfolio. We continued our strong track record of delivering realisations at over a 2x money multiple across both Private Equity and Infrastructure, with the disposals of MPM, MAIT and TCR in challenging markets. These transactions demonstrate continued demand for high-quality assets, notwithstanding ongoing pressure on pricing and financing conditions.

FY2026 bonus scorecard

The scorecard for FY2026 has been set on the same basis as last year. The quantitative element of the scorecard was weighted at 85% (FY25 85%), ensuring that reward for our Executive Directors continues to be based on output-based metrics that support the return for investors. The FY2026 outcomes against this scorecard are shown in the Implementation Report, and delivered a result of 92.1%. However, in light of the recent share price development, the Executive Directors and the Committee have agreed, on an exceptional basis, that it is appropriate to set bonuses at 77% of the maximum (a reduction of circa 15% points on the formulaic outcome for FY2026).

Remuneration continued

Directors' remuneration report continued

2023 LTIP outcomes

The 2023 LTIP award was based on two equally weighted performance conditions: absolute and relative TSR against the FTSE 350. You will see in the Implementation Report that based on performance over the three-year period, the 2023 LTIP achieved 100% vesting with absolute TSR growth of c.29% per annum and relative TSR around the upper decile of the peer group.

While cognisant of the recent share price volatility, the Committee agreed that no adjustment was required, reflecting the strong levels of absolute and relative shareholder returns delivered by the Company. The impact of that volatility will negatively affect the vesting of the 2024 and 2025 LTIP awards unless the share price improves over the remainder of their performance periods. The executive team is therefore aligned with shareholders in seeking to deliver business performance that will flow through to shareholder value over time.

Remuneration policy

As set out in my 2025 letter, during the year the Committee reviewed the remuneration policy to ensure it continues to support the delivery of our long-term strategy while reflecting the need to remain competitive in attracting and retaining talent and continuing to align our Executive Directors with shareholder outcomes. In doing so, we were mindful of recent share price volatility and the broader economic and geopolitical uncertainty, and sought to make targeted adjustments that balance competitiveness with restraint and alignment with shareholder outcomes.

In framing the discussion, the Committee was aware that the incentive opportunities for our executive team have not kept pace with 3i's growth since May 2012 when Mr Borrows was appointed as Chief Executive and the current strategy was introduced. Since then, the Company has experienced a period of significant growth and transformation, which has elevated it from the FTSE 250 to the FTSE 30 with the share price increasing substantially from c.£1.60 at his appointment to where it is today. As set out below, 3i has delivered very strong financial results and exceptional shareholder returns over both the medium and longer term.

In the context of the triennial review of 3i's remuneration policy, the Committee reviewed it from two perspectives, namely:

- Is the remuneration structure still effective in supporting 3i's strategy?
- Does the remuneration opportunity reflect the size and scale of the Group's operations and does it act as an effective tool to motivate and retain executives of the calibre required to lead 3i?

	Since the appointment of the current executive team (base year 2022)	Since the appointment of the Chief executive (base year 2012)
NAV per share	+129%	+986%
Gross investment return (years in excess of 10%)	4 out of 4	13 out of 15
Dividend per share	+83%	+949%
Total shareholder return (absolute)	+96%	+1760%
Total shareholder return (relative to FTSE 100)	19 out of 100	1 out of 100
Market positioning (FTSE 350)	26th (from 39th)	26th (from 117th)

Remuneration structure

The Committee is satisfied that the current annual bonus plus performance share based LTIP model has worked as intended at 3i to date. That model will continue to support the delivery of our strategy going forwards, as it has since 2012. While many of our competitors provide carried interest to their most senior executive management, we still believe that carry is inappropriate for our Executive Directors, and that majority share-denominated awards and TSR metrics better align their remuneration with the interests of shareholders.

The Committee also recognises that the current policy is more heavily weighted towards performance-related pay than fixed pay, with below-market salary levels (set towards the bottom of the FTSE 50). We acknowledge this fixed to variable pay balance is relatively unusual, but to date it has been effective in incentivising and retaining our leadership and has resulted in strong pay-for-performance alignment. This principle will be retained in the updated policy.

Remuneration opportunity

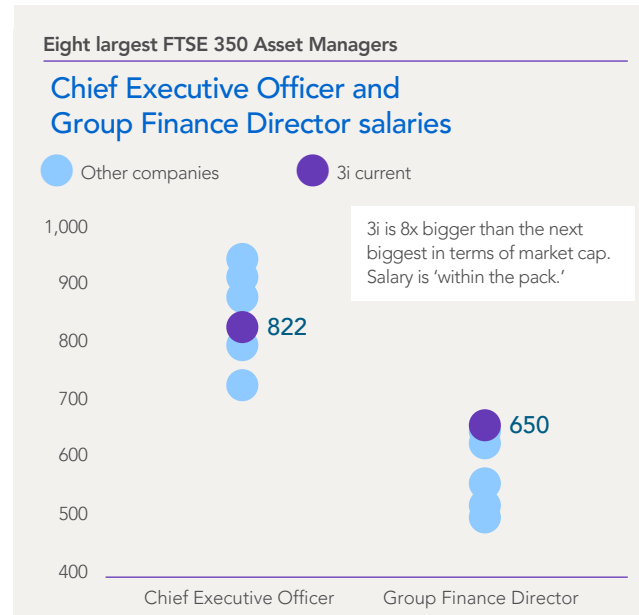
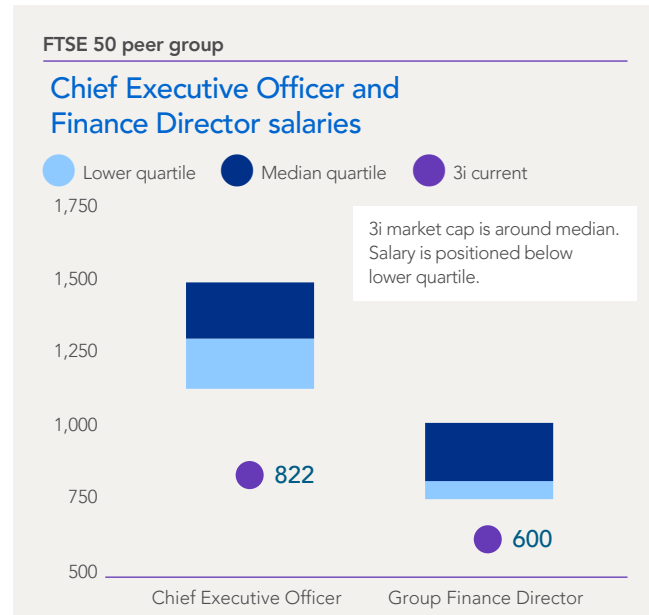
Market positioning

Remuneration benchmarking of 3i is challenging, and therefore the Committee looked at a number of different reference points - FTSE 50 companies, FTSE listed asset management firms and listed Private Equity firms. Our benchmarking included comparing the Chief Executive and Finance Director packages against the FTSE 50 and against a comparator peer group of eight other UK listed asset managers. There is limited public data for the Chief Operating Officer role, given the lack of such roles at other listed companies, but the Committee is satisfied that the overall positioning is consistent for all three Executive Directors.

As shown in the charts overleaf, the overall total remuneration packages have lagged the performance and growth of the Company, and those of comparable UK-listed businesses across both general industry and the asset management sector. Similarly, we know that our Executive Director remuneration packages are materially lower than those at unlisted alternative asset management peers, and the Committee wanted to address this.

Remuneration continued

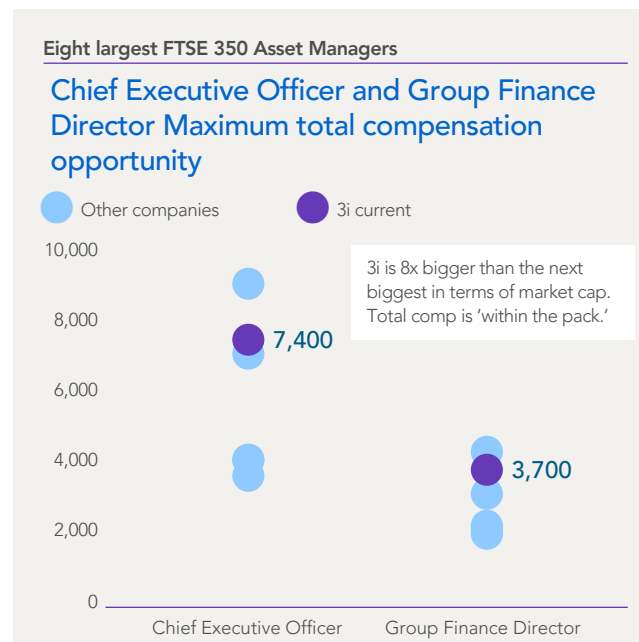
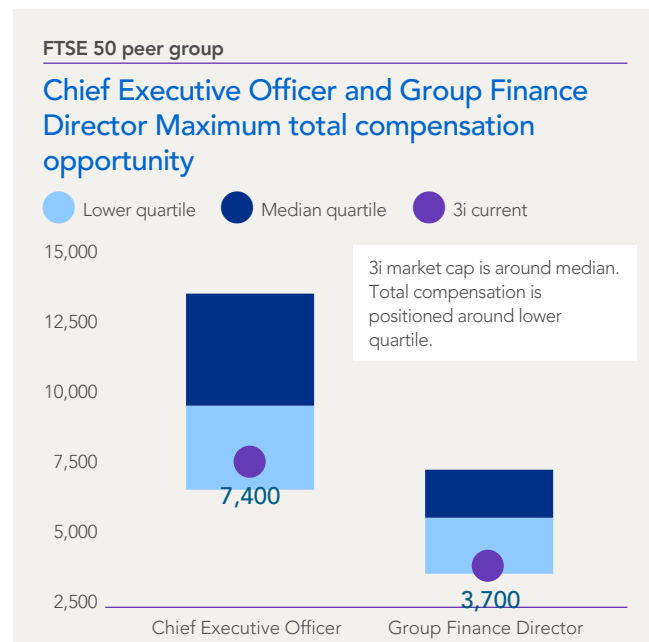
Directors' remuneration report continued



Proposed approach

The Committee wanted the overall remuneration opportunity to be more competitive and reflective of 3i's size and complexity, and we have therefore made changes to the policy to ensure that total remuneration is around market median against the FTSE 50. To achieve this, increases are proposed to incentive levels to align with our pay-for-performance philosophy. For the Chief Executive, only the LTIP opportunity will be increased to ensure that the balance of his remuneration opportunity is well aligned with 3i's long-term value creation strategy. The following changes to the policy are proposed:

- For our Chief Executive, an increase in the maximum LTIP to 500% of salary (from 400% of salary).
- For our Finance Director and Chief Operating Officer, the Committee determined that the increase should be balanced across the annual bonus and the LTIP. Their maximum bonus and LTIP opportunities will each therefore be increased to 350% of their respective salaries.



These changes take the total package at maximum in the revised policy for the Chief Executive to c.£8.5m; to c.£5m for the Finance Director (both remaining just below median against the FTSE 50 median); and to c.£4m for the Chief Operating Officer. The Committee consulted in recent months with major shareholders (representing 63% of the shareholder register) on the proposed changes.

Remuneration continued

Directors' remuneration report continued

Implementation in FY2027

The Committee has determined that it will not use the full increases permitted by the new policy for FY2027. For the Chief Executive, the LTIP grant for FY2027 will be at 400% of salary (i.e. unchanged from the FY2026 LTIP grant level and lower than the 500% maximum permitted by the policy). For the Finance Director and the Chief Operating Officer, the maximum annual bonus and LTIP awards will be both at 300% of salary (lower than the 350% maximum permitted by the policy). In practice, this will mean that the remuneration opportunity for the Executive Directors in FY2027 will be behind our desired position. However, the Committee felt that a reduction in the first year was appropriate given the recent shareholder experience.

While the award levels for FY2027 are lower than the maximum permitted by the policy, the Committee will review the LTIP outcome at vesting in the context of any potential 'windfall' gains.

The Committee intends to award a salary increase to the Chief Operating Officer to £500,000 (c.6% increase), effective 1 July 2026, reflecting her continued development and the increasing breadth of her role, including her performance on the Action board. The base salary increase of 4% for the Chief Executive and Finance Director will be in line with the wider workforce.

Other policy changes

While our current Executive Directors have built up very substantial shareholdings in the Company, both through award grants and direct purchases, thus aligning them strongly with our shareholders, we propose increasing the formal shareholding targets for each Executive Director to the same multiple of base salary as their maximum LTIP opportunity under the policy. This brings the maximum shareholding targets to 500% of salary for the Chief Executive and 350% of salary for the Finance Director and Chief Operating Officer.

The Committee has also reviewed the bonus deferral arrangements. We have historically deferred a high level of annual bonus (60%) into 3i shares reflecting historical regulatory requirements. This level of deferral is no longer required by regulation and is materially more onerous than most benchmarked peers. As part of our review, we are proposing to reduce this level of deferral to 50% of any bonus over three years, until the shareholding requirement is met. Once the shareholding requirement is met, the level of deferral will reduce to 33%. In practice, given the shareholding of our executive team, the reduced rate will apply to them going forward from 2027.

The Committee believes that notwithstanding the proposed reduced deferral of annual bonus, it continues to be aligned with FTSE listed peers and there will still be sufficient deferred annual bonus share awards and LTIP awards that are subject to malus and/or clawback provisions.

Performance measures review

As part of the policy review, the Committee has also reviewed the LTIP performance measures and targets. Under the LTIP, the Committee determined that shareholder return metrics continue to be the most relevant performance metrics for 3i, including the existing mix of relative and absolute measures.

For the portion of the award linked to relative TSR, we believe targeting upper quartile performance against the relevant peer group/index for full vesting (and no vesting for below median performance) remains appropriate.

For the portion of the award linked to absolute TSR, the Committee has reviewed the targets in the context of 3i being a materially larger and more mature Company relative to when the targets were first implemented. The Committee believes that the threshold of 10% p.a. growth remains appropriate and therefore no changes are proposed to this hurdle.

We do, however, feel that in the context of being a materially larger group the upper end of the range, currently 18% p.a. growth, should be reduced. We are proposing a target of 16% p.a. growth for the FY2027 LTIP award.

When the policy was first published (2013), 3i had a less than £3bn market capitalisation, and the incremental shareholder value required for maximum vesting was c.£1.9bn. Under the new proposed target, the incremental shareholder value required for maximum vesting is c.£18bn, equivalent to the size of a brand new FTSE 40 company.

The Committee also considered published absolute TSR targets in the wider FTSE 350, and for the size and scale of our business these are among the most stretching in the market. The Committee also undertook an analysis on where 16% p.a. growth would fit within the FTSE 350 for the last ten LTIP cycles. In every LTIP cycle, it would have been at or materially above the upper quartile. The Committee was also conscious of not incentivising executives to take undue risk to achieve these targets.

Given the absolute level of shareholder value that would be created to achieve maximum vesting, the Committee is comfortable that the change to the maximum target for the FY2027 LTIP award is not only highly appropriate, but also still very stretching.

Closing

I hope that you find this report a clear account of the proposed changes to the remuneration policy and the rationale behind them, as well as the way the Committee implemented the remuneration policy during the year. I look forward to your support of our proposed policy and our Annual report on remuneration at the upcoming AGM.

Coline McConville

Chair, Remuneration Committee

13 May 2026

Remuneration continued

The Annual report on remuneration (Implementation report)

During FY2026, we operated under the remuneration policy approved at the 2023 AGM, which can be found on our website at www.3i.com.

Director remuneration for the year (audited)

Single total figure of remuneration for each Director

£'000	FY2026								FY2025							
	Salary/fees	Benefits	Pension	Total fixed pay	Annual bonus	LTIP	Total variable pay	Total	Salary/fees	Benefits	Pension	Total fixed pay	Annual bonus	LTIP	Total variable pay	Total
S A Borrows	804	22	23	849	2,532	5,182	7,714	8,563	744	19	23	786	2,646	8,718	11,364	12,150
J G Hatchley	582	19	61	662	1,155	2,284	3,439	4,101	524	18	55	597	1,166	3,842	5,008	5,605
J H Halai	452	21	56	529	814	1,473	2,287	2,816	391	20	50	461	791	2,391	3,182	3,643
D A M Hutchison	410	–	–	410	–	–	–	410	370	–	–	370	–	–	–	370
S W Daintith	101	–	–	101	–	–	–	101	99	–	–	99	–	–	–	99
L M S Knox	116	–	–	116	–	–	–	116	114	–	–	114	–	–	–	114
C McConville	111	–	–	111	–	–	–	111	109	–	–	109	–	–	–	109
P A McKellar	111	–	–	111	–	–	–	111	109	–	–	109	–	–	–	109
H Patel	89	–	–	89	–	–	–	89	11	–	–	11	–	–	–	11
A Schaapveld	106	–	–	106	–	–	–	106	104	–	–	104	–	–	–	104

- Benefits for Executive Directors include a car allowance, provision of health insurance and, for Ms Halai, the value of the Share Incentive Plan matching share awards.
- The amounts shown as pension are salary supplements in lieu of pension contributions. These supplements were in line with pension contributions for the Group's employees generally (12% of pensionable salary).
- Annual bonus awards made in respect of the year are delivered as 60% 3i Group plc shares deferred over four years, and the remaining 40% as a cash payment in May 2026. All annual bonus awards are subject to the malus/clawback policy. Those shares deferred over four years are released in four equal annual instalments commencing June 2027 and all share awards carry the right to receive dividends and other distributions.
- In addition to the table above, dividends or dividend equivalents on unvested deferred share awards were paid during the year (Mr Borrows: £110k, Mr Hatchley: £38k and Ms Halai: £25k).
- The values shown in the FY2026 LTIP column represent the performance shares vesting from the 2023 LTIP, together with the value of accrued dividends on those shares. The shares have been valued using the three-month average closing share price to 31 March 2026 (3,120 pence). The 2023 LTIP value attributable to share price growth since the awards were granted is £1,965k, £866k and £558k for Mr Borrows, Mr Hatchley and Ms Halai respectively. Further detail is provided on page 152. The values shown in the FY2025 LTIP column represent the shares that vested from the 2022 LTIP last year, together with the value of accrued dividends on those shares. This value has been restated using the prevailing share price at the time of vesting (3,949 pence), being the third anniversary of grant.
- The fees shown for the non-executive Directors include fees used to purchase shares in the Company.
- Non-executive Directors receive reimbursement for their reasonable expenses for attending Board meetings. The Group meets the associated tax cost.
- Ms Halai retained Directors' fees of £84k from Barratt Developments plc.

Remuneration continued

The Annual report on remuneration (Implementation report) continued

FY2026 performance

Quantitative performance measures (85% of total. FY2026 payout 79.6%)

Area of strategic focus	Weighting	Metric	Threshold	Maximum	Performance	Pay-out
Portfolio returns (Action)	39.0%	Gross investment return (% of opening portfolio value)	16%	21%	25%	100%
Portfolio returns (excl. Action)	12.0%	Gross investment return (% of opening portfolio value)	10%	15%	13.8%	81%
Portfolio returns (Infrastructure)	4.0%	Gross investment return (% of opening portfolio value)	8%	10%	8.0%	21%
Total Returns	30.0%	Total return (% of opening shareholders' funds)	13%	17%	21.6%	100%

1 The threshold and maximum return targets are set in line with 3iN's public return objectives.

Qualitative performance measures (15% of total. FY2026 payout 12.5%)

Area of strategic focus	Weighting	Payout	Metric	Comments
Sustainability	5.0%	4.5%	Sustainability targets across the portfolio and 3i Group	<p>We made good progress towards 3i's science-based targets with nine in-scope portfolio companies now having validated science-based targets resulting in early achievement of 3i's portfolio engagement level. Good progress towards Scope 1 and 2 emissions targets ahead of the SBTi linear projection.</p> <p>We have performed deeper analysis of physical climate-related risks during the investment process and as part of the ongoing engagement and monitoring of portfolio companies.</p>
Strategy & People	10.0%	8.0%	Development of the strategic vision of the Group and progress of corporate projects	<p>During the year, we continued to take the opportunity to increase our stake in Action, completing a number of separate transactions. In September 2025 and January 2026, we acquired approximately 5.1% of Action's equity from GIC in exchange for the issuance of new ordinary shares in 3i Group, representing an equivalent consideration of £1.7 billion.</p> <p>In October 2025, following a further successful refinancing and capital restructuring at Action which returned £944 million of gross proceeds to 3i, we redeployed £755 million to acquire an additional 2.2% stake. In March 2026 we also completed a further £54 million investment to purchase an existing LP stake. As a result of all of these transactions, we increased our equity stake in Action from 57.9% to 65.4%. In addition to the refinancing, Action also repriced €3.1 billion of its existing term loan debt, extending the maturity of a portion of the debt and generating an annual interest cost saving of €14 million.</p> <p>Royal Sanders continues to be consolidator in the personal care market with nine acquisitions under our ownership, including the acquisition of Vendoleo in December 2025. European Bakery Group also strengthened its footprint with the acquisition of a significant production site in Germany in March 2026.</p> <p>The sector-based model within our Private Equity business is progressing well and the team delivered two exits in the year of MAIT and MPM both materially above their 31 March 2025 valuations. 3iN announced the disposal of TCR at a c.50% premium to the March 2025 valuation.</p> <p>In FY2026, we provided formal specialist training on areas and skills including presentation and communication skills, negotiation, procurement and maximisation of portfolio potential and GenAI. Our investment executives regularly receive education on issues of wider topical interest and impact, for example, on nature and its relevance and impact on 3i and its portfolio.</p>

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Executive Director annual bonus outcomes

The FY2026 outcomes against this scorecard are shown in the Implementation Report, and delivered a result of 92.1%. However, the Committee and the Executive Directors have agreed that although the Company's business performance is reflected in the scorecard result, consideration should also be given to recent shareholder experience. Accordingly, management and the Committee agreed that bonuses for FY2026 should be set at 77% of maximum to acknowledge recent shareholder experience. Bonuses are delivered as 40% paid in cash immediately and 60% deferred into the Company's shares, vesting in four equal annual instalments. Annual bonus awards are subject to the malus/clawback policy.

Share awards vesting in FY2026 subject to performance conditions

2023 Long-term incentive award (audited)

The Long-term incentive awards granted in June 2023 were subject to performance conditions based on absolute and relative total shareholder return over the three financial years to 31 March 2026. The table below shows the achievement against these conditions and the resulting proportion of the awards which will vest in June 2026.

Total shareholder return measure	Weighting		Threshold		Maximum		Actual		Total
	%	Performance	% vesting	Performance	% vesting	Performance	% vesting	% vesting	
Absolute total shareholder return	50%	10% pa	20%	18% pa	100%	29% pa	100%	100%	
Relative total shareholder return (as measured against the FTSE 350 Index)	50%	Median	25%	Upper quartile	100%	Above Upper quartile	100%		

The table below shows the grants made to the Executive Directors in 2023, at a share price of 1,853.90 pence, and the resulting number of shares that will vest due to the achievement against the performance targets as set out above. The value of the shares vesting has been included in the single figure table using the three-month average closing share price to 31 March 2026 of 3,120.21 pence.

Reflecting on performance delivered over the performance period (in terms of operational performance of the business), further detail of which is provided in the Remuneration Committee Chair's statement, the Committee considered the formulaic out-turn to be an appropriate reflection of performance and therefore did not exercise any discretion or downwards adjustment in relation to the award.

	Basis of award at grant	Face value at grant £'000	Number of shares awarded at 1,853.9p per share	% vesting	Number of shares vesting	Value of shares vesting at 3,120.21p per share £'000
S A Borrows	Face value award of 4 times base salary of £719k	2,877	155,184	100%	155,184	4,842
J Hatchley	Face value award of 2.5 times base salary of £507k	1,268	68,386	100%	68,386	2,134
J Halai	Face value award of 2.25 times base salary of £363k	818	44,098	100%	44,098	1,376

The proportion of the award vesting is subject to a further holding period, and shares will be released on the fifth anniversary of grant together with the value of dividends that would have been received during the period from grant to the release date.

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Change in the remuneration of the Directors compared to other employees

The table below shows the percentage change in remuneration paid to each Director and employees as a whole for the past five performance years.

	FY2026			FY2025			FY2024			FY2023			FY2022		
	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus	Salary/Fees	Benefits	Bonus
S A Borrows	8 %	7 %	(4)%	4 %	11 %	30 %	4 %	12 %	(14)%	4 %	— %	(10)%	3 %	— %	9 %
J G Hatchley	11 %	10 %	(1)%	4 %	4 %	30 %	17 %	19 %	(3)%						
J H Halai	16 %	10 %	3 %	10 %	8 %	37 %	20 %	38 %	1 %						
D A M Hutchison	11 %			10 %			3 %				74 %			85 %	
S W Daintith	2 %			11 %			6 %				4 %				
L M S Knox	2 %			19 %			2 %				114 %				
C McConville	2 %			11 %			2 %				3 %			3 %	
P A McKellar	2 %			11 %			2 %				33 %				
H Patel	709 %														
A Schaapveld	2 %			13 %			10 %				4 %			(5)%	
All other employees	6 %	23 %	4 %	7 %	8 %	7 %	7 %	27 %	(5)%	13 %	2 %	6 %	7 %	9 %	32 %

D A M Hutchison was appointed Chair in November 2021. H Patel was appointed during FY2025, L M S Knox and P A McKellar were both appointed during FY2022. The change in the fees shown above is due to part year payments.

The FY2026 change in salary for the three Executive Directors reflects the salary increases effective from 1 July 2025.

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Details of share awards granted in the year

LTIP

Performance share awards were granted to the Executive Directors during the year as shown in the table below.

Area of strategic focus	Comments
Face value	<p>Chief Executive – 400% of salary, being 81,807 shares.</p> <p>Group Finance Director – 250% of salary, being 37,320 shares.</p> <p>Chief Operating Officer – 225% of salary, being 26,311 shares.</p> <p>The share price used to make the award was the average mid-market closing price over the five working days starting with the day of the announcement of the 2025 annual results (4,019.20 pence). We continue to apply our long-held consistent policy of measuring performance using the three-month average closing share price to 31 March and granting awards using the five-day average closing price (starting on the day of the announcement of the annual results).</p>
Performance period	1 April 2025 to 31 March 2028.
Performance targets	<p>50% of the award is based on absolute TSR measured over the performance period, and vests:</p> <ul style="list-style-type: none"> • 0% vesting below 10% pa TSR; • 20% vesting at 10% pa TSR; • straight-line vesting between 10% and 18% pa TSR; and • 100% vesting at 18% pa TSR. <p>50% of the award is based on relative TSR measured against the FTSE 350 Index over the performance period, and vests:</p> <ul style="list-style-type: none"> • 0% vesting for below median performance against the index; • 25% vesting for median performance against the index; • 100% vesting for upper quartile performance against the index; and • straight-line vesting between median and upper quartile performance. <p>Total shareholder returns are calculated based on the average closing share price over the first three months of the calendar year.</p>
Remuneration Committee discretion	<p>The Committee can reduce any award which would otherwise vest if there are unauthorised breaches of the Group’s liquidity and gearing policies or where significant adjustment is required to ensure the outcome is a fair reflection of the performance of the Company and the individual.</p>

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Deferred bonuses awarded in FY2026

All Directors are considered to be Identified Staff and, for awards made during FY2026, 60% of the annual bonus was delivered in 3i Group plc shares deferred over four years (and which vest one quarter per annum over those four years). The remaining 40% was delivered as a cash bonus in May 2025. The following awards were made on 2 June 2025 in respect of FY2025 performance:

	Face value at grant	Number of shares awarded at 4,019.2p per share	Vesting
S A Borrows	£1,587k	39,495	Four equal instalments annually from 1 June 2026
J G Hatchley	£700k	17,404	Four equal instalments annually from 1 June 2026
J H Halai	£475k	11,813	Four equal instalments annually from 1 June 2026

The face value of the awards were reported in the FY2025 single figure of remuneration. The share price used to calculate face value was the average of the mid-market closing prices over the five working days starting with the date of the announcement of the Company's results for the year ended 31 March 2025 (15 May 2025 to 21 May 2025), which was 4,019.2 pence. These awards are not subject to further performance conditions but are subject to our malus and clawback policy.

Share Incentive Plan

During the year, Ms Halai participated in the HMRC-approved Share Incentive Plan which allowed employees to invest up to £150 per month from pre-tax salary in ordinary shares ("partnership shares"). For each partnership share, the Company grants two free ordinary shares ("matching shares") which are forfeited if the participant resigns within three years of grant. Dividends are reinvested in further ordinary shares ("dividend shares").

Ms Halai purchased 50 partnership shares, and received 100 matching shares and 533 dividend shares at prices ranging between 2,327 pence and 4,445 pence per share, with an average price of 3,693 pence.

Hedging of share awards

As a matter of policy the Group ensures that it holds the maximum potential number of shares granted under the LTIP and Deferred Share Plan from the date of grant. Shares are purchased by the Employee Benefit Trust in the market as and when required to ensure that coverage is maintained.

Pension arrangements (audited)

The Executive Directors receive pension benefits on the same percentage basis (12%) of their pensionable salaries as other employees of the Company. During the year, they received salary supplements in lieu of pension of £23k (Mr Borrows), £61k (Mr Hatchley) and £47k (Ms Halai) respectively. Mr Borrows' pensionable salary is subject to the 3i earnings cap (FY2026: £223,097).

Prior to 2011, Executive Directors were eligible for membership of the 3i Group Pension Plan, a defined benefit contributory scheme. Pension accrual ceased for all members with effect from 5 April 2011. Salary linkage was removed in February 2023 and replaced with a time-limited cash allowance, which the Chief Operating Officer receives (£9k), in line with other, similarly affected staff.

Payments to past Directors (audited)

No payments to past Directors were made in the year.

Payments for loss of office (audited)

No payments to Directors for loss of office were made in the year.

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Statement of Directors' shareholding and share interests (audited)

The Company's share ownership and retention policy in FY2026 requires Executive Directors to build up over time and thereafter maintain a shareholding in the Company's shares equivalent to at least 3.0 times gross salary in the case of the Chief Executive and 2.0 times gross salary for the Group Finance Director and Chief Operating Officer. In addition, shareholding targets have been introduced for other members of the Executive Committee at 1.5 times their gross salaries and for partners in the Group's businesses at 1.0 times their gross salaries. Since 2018, non-executive Directors and the Chair are required to build up over time and thereafter maintain a shareholding in the Company's shares equivalent to at least the same as their respective annual base fees (cash and shares).

Executive Directors are expected to maintain a shareholding in the Company for two years post-employment, at the lower of their shareholding at the time they leave employment and the applicable levels set out above.

Details of Directors' interests (including interests of their connected persons) in the Company's shares as at 31 March 2026 are shown in the table below. The closing share price on 31 March 2026 was 2,438 pence.

	Owned outright	Deferred shares	Subject to performance	Shareholding requirement	Current shareholding (% salary)
S A Borrows	17,479,486	715,784	185,433	300%	54,516
J G Hatchley	362,001	209,276	82,986	200%	2,658
J H Halai	125,348	144,429	57,308	200%	1,697

	Shares owned outright	Shareholding requirement	Current shareholding (% base fee)
D A M Hutchison	66,975	100%	398
S W Daintith	21,873	100%	698
L M S Knox	3,578	100%	114
C McConville	11,435	100%	365
P A McKellar	133,001	100%	4,244
A Schaapveld	25,925	100%	827

- The share interests shown for Ms Halai include shares held in the 3i Group Share Incentive Plan. The owned outright column includes partnership and dividend shares under the SIP. The deferred shares column includes matching shares under the SIP.
- The number of shares shown includes the 2023 Performance Share award. The performance against the performance targets results in 100% of the shares being released as described on page 152.
- Directors are restricted from hedging their exposure to the 3i share price.
- From 1 April 2026 to 14 May 2026, Ms Halai became interested in a further 70 shares overall outright (SIP Partnership Shares) and a further 140 deferred shares (SIP Matching Shares). There were no other changes to Directors' share interests in that period.

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Performance graph – TSR graph

This graph compares the Company’s total shareholder return for the 10 financial years to 31 March 2026 with the total shareholder return of the FTSE 350 Index. The FTSE 350 Index is considered to be an appropriate comparator as it reflects the variety of the Company’s portfolio of international investments and the diverse currencies in which those investments are denominated.

Performance table

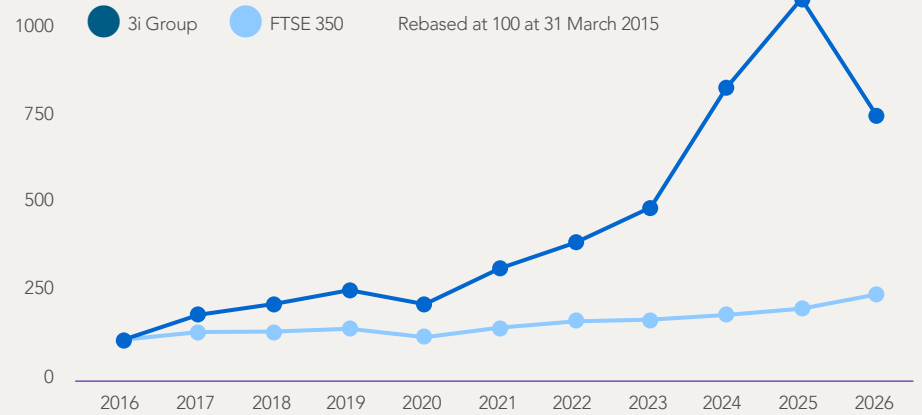
Table of historic Chief Executive data

Year	Chief Executive	Single figure of total remuneration	Percentage of maximum annual bonus	Percentage of maximum LTIP vesting
FY2026	S A Borrows	8,563	77.0%	100%
FY2025	S A Borrows	12,150	88.0%	100%
FY2024	S A Borrows	9,422	70.6%	100%
FY2023	S A Borrows	9,506	85.0%	100%
FY2022	S A Borrows	6,215	98.0%	100%
FY2021	S A Borrows	5,310	92.0%	71%
FY2020	S A Borrows	4,124	37.0%	91%
FY2019	S A Borrows	7,877	92.5%	100%
FY2018	S A Borrows	6,847	92.5%	100%
FY2017	S A Borrows	7,544	95.0%	100%

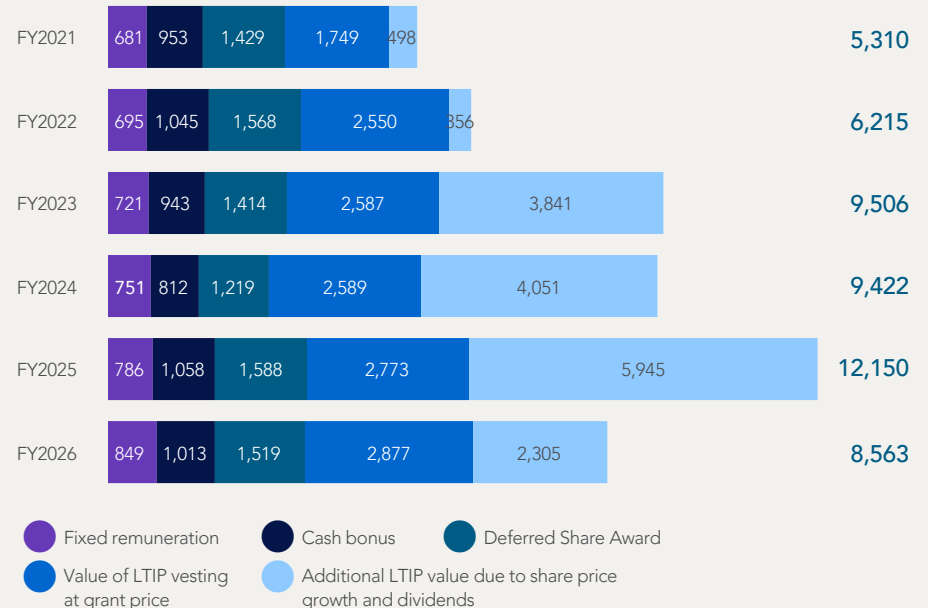
Relative importance of spend on pay

	FY2026	FY2025	Change %
Remuneration of all employees	£89m	£104m	(14%)
Dividends paid to shareholders	£765m	£625m	22%

3i Total shareholder return vs FTSE 350 total return over the 10 years to 31 March 2026



Chief Executive’s single figure remuneration history (£’000)



Remuneration continued

The Annual report on remuneration (Implementation report) continued

Statement of implementation of the remuneration policy in the coming year

The table below sets out how the Committee intends to operate the remuneration policy in FY2027.

Policy element	Implementation of policy during FY2027
Base salary	<p>Base salaries for most employees will be increased by 4%. As set out in the Chair’s letter, the base salaries for the current Executive Directors, from 1 July 2026, will be as follows:</p> <ul style="list-style-type: none"> • Chief Executive: £854,880 (4.0%) • Group Finance Director: £624,000 (4.0%) • Chief Operating Officer: £500,000 (6.4%)
Pension	<p>No changes to the current arrangements are proposed for FY2027 and a pension contribution or salary supplement will be as follows:</p> <ul style="list-style-type: none"> • Chief Executive: 12% of benefit salary (subject to a 3i earnings cap. FY2027: £233,144) • Group Finance Director: 12% of base salary • Chief Operating Officer: 12% of base salary <p>Prior to 2011, Executive Directors were eligible for membership of the 3i Group Pension Plan, a defined benefit contributory scheme. Pension accrual ceased for all members with effect from 5 April 2011. Salary linkage was removed in February 2023 and replaced with a time-limited cash allowance, which the Chief Operating Officer receives, in line with other, similarly affected staff.</p>
Benefits	<p>No changes to the current arrangements are proposed for FY2027.</p> <p>Benefits will continue to include a car allowance, provision of health insurance and any Share Incentive Plan matching share awards.</p>

Policy element	Implementation of policy during FY2027
Annual bonus	<p>The maximum annual bonus opportunities for FY2027, in line with the proposed new remuneration policy, as follows:</p> <ul style="list-style-type: none"> • Chief Executive: 400% of salary • Group Finance Director: 300% of salary • Chief Operating Officer: 300% of salary <p>The Committee has agreed that the scorecard for the year will be driven 85% by quantitative financial targets around portfolio returns and similar metrics, with the balance measured against Sustainability, Strategy and People goals. The scorecard is agreed at the beginning of the financial year and the weightings of each measure reflects the weighting of our portfolio. The Committee continues to set stretching targets to ensure Executive Directors strive to maximise returns for shareholders</p> <p>The Committee considers that the specific targets and expectations contained within the FY2027 scorecard are commercially sensitive and therefore will not be disclosed in advance. We will report to shareholders next year on performance and the resulting bonus out-turns.</p> <p>At least 33% of any bonus award will be deferred into shares vesting in equal instalments over three years.</p> <p>Awards are subject to the Company’s malus and clawback policy.</p>

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Policy element	Implementation of policy during FY2027	Policy element	Implementation of policy during FY2027														
Long-term Incentive Plan	<p>Awards under the Long-term Incentive Plan in FY2027 will be made as follows:</p> <ul style="list-style-type: none"> • Chief Executive: 400% of salary • Group Finance Director: 300% of salary • Chief Operating Officer: 300% of salary <p>Performance will be measured over a three-year period and will be determined by the Remuneration Committee. Performance measures remain unchanged from the previous year and will be as follows:</p> <p>50% of the award is based on absolute TSR measured over the performance period, and vests:</p> <ul style="list-style-type: none"> • 0% vesting below 10% pa TSR; • 20% vesting at 10% pa TSR; • straight-line vesting between 10% and 16% pa TSR; and • 100% vesting at 16% pa TSR. <p>50% of the award is based on relative TSR measured against the FTSE 350 Index over the performance period, and vests:</p> <ul style="list-style-type: none"> • 0% for below median performance against the index; • 25% for median performance against the index; • 100% for upper quartile performance against the index; and • straight-line vesting between median and upper quartile performance. <p>Total shareholder returns are calculated based on the average closing share price over the first three months of the calendar year.</p> <p>Awards are subject to the Company's malus and clawback policy.</p> <p>To the extent that shares vest, awards are subject to a holding period whereby they are released on or around (but not earlier than) fifth anniversary of grant.</p> <p>The Chief Executive, Group Finance Director and Chief Operating Officer do not participate in carried interest plans or similar arrangements.</p>	Shareholding requirements	<p>Shareholding requirements will be as follows:</p> <ul style="list-style-type: none"> • Chief Executive: 500% of salary • Group Finance Director: 350% of salary • Chief Operating Officer: 350% of salary • Non-executive Directors (including the Company Chair): 100% of base fee (cash and shares) • Executive Directors will be expected to maintain a shareholding in the Company for two years post-employment, at the lower of their shareholding at the time they leave employment and of the levels set out above. Deferred bonus awards and shares to be released under the Long-term Incentive Plan may be reduced or withheld if the post-employment shareholding targets for the Executive Directors are not met. 														
		Non-executive Director fees	<p>The base fees for the non-executive Directors have increased by the same percentage (4%) as salaries for employees. The Committee Chair fees have been increased reflecting the time commitments of the roles and following a review of market data against other FTSE companies. The increase for the Chair reflects the responsibilities and time commitments of the role. The fee remains below the lower quartile against the FTSE 50. Overall, fees remain moderately positioned relative to similar FTSE100 companies. Fees for FY2027 will be:</p> <table border="0"> <tr> <td>Chair fee:</td> <td>£333,000 plus £93,600 in 3i shares</td> </tr> <tr> <td>Non-executive Directors:</td> <td></td> </tr> <tr> <td>Board membership base fee:</td> <td>£61,100 plus £18,360 in 3i shares</td> </tr> <tr> <td>Senior Independent Director fee:</td> <td>£20,000</td> </tr> <tr> <td>Valuations Committee Chair:</td> <td>£40,000</td> </tr> <tr> <td>Other Committee Chairs:</td> <td>£30,000</td> </tr> <tr> <td>Committee member:</td> <td>£10,000</td> </tr> </table> <p>Committee fees are payable in respect of the Audit and Compliance Committee, Remuneration Committee and Valuations Committee.</p>	Chair fee:	£333,000 plus £93,600 in 3i shares	Non-executive Directors:		Board membership base fee:	£61,100 plus £18,360 in 3i shares	Senior Independent Director fee:	£20,000	Valuations Committee Chair:	£40,000	Other Committee Chairs:	£30,000	Committee member:	£10,000
Chair fee:	£333,000 plus £93,600 in 3i shares																
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Other Committee Chairs:	£30,000																
Committee member:	£10,000																

Remuneration continued

The Annual report on remuneration (Implementation report) continued

Policy element

Implementation of policy during FY2027

Malus and clawback policy

Long-term incentive awards and deferred bonus share awards made during the year to Executive Directors may be forfeited or reduced in exceptional circumstances, on such basis as the Committee considers to be fair, reasonable and proportionate, taking into account an individual's role and responsibilities. Such exceptional circumstances include:

- (1) a material misstatement in the financial statements of the Company or Group or any Member of the Group; or
- (2) where an individual has caused, wholly or in part, a material loss for the Group as a result of:
 - (i) reckless, negligent or wilful actions or omissions; or
 - (ii) inappropriate values or behaviour;
- (3) an error in assessing any applicable Performance Conditions or the number of shares;
- (4) the assessment of any applicable Performance Conditions and/or the number of shares to be released being based on inaccurate or misleading information;
- (5) misconduct on the part of the individual concerned;
- (6) a Member of the Group is censured by a regulatory body or suffers a significant detrimental impact on its reputation, provided that the Committee determines that the individual was responsible for, or had management oversight over, the actions, omissions or behaviour that gave rise to that censure or detrimental impact; or
- (7) the Company (or entities representing a material proportion of the Group) becomes insolvent or otherwise suffers a corporate failure so that ordinary shares in the Company cease to have material value, provided that the individual is responsible (in whole or in part) for that insolvency or failure.

In exceptional circumstances (and on such basis as the Committee considers fair, reasonable and proportionate taking into account an individual's role and responsibilities), the Group may recover amounts that have been paid or released from awards (including cash bonus awards), as long as a written request for the recovery of such sums is made in the two-year period from the date of payment or release and in circumstances where either (a) there has been a material misstatement of Group financial statements or (b) the Group suffers a material loss. In arriving at its decision, the Committee will take into consideration such evidence as it may reasonably consider relevant including as to the impact of the affected individual's conduct, values or behaviours on the material misstatement or material loss, as the case may be.

Remuneration Committee advisers

The Committee appointed Deloitte LLP as advisers in 2013 and during the year they provided the Committee with external, independent advice.

Deloitte LLP are members of the Remuneration Consultants Group and, as such, voluntarily operate under the code of conduct in relation to executive remuneration consulting in the UK. During the year, Deloitte LLP also provided 3i with certain tax advisory services. The Committee has reviewed the advice provided during the year and is satisfied that it has been objective and independent. The total fees for advice during the year were £104,000 (excluding VAT) (2025 £84,000 (excluding VAT)).

Result of voting at the 2025 AGM

At the 2025 AGM, shareholders approved the Remuneration report that was published in the 2025 Annual report and accounts. At the 2023 AGM, shareholders approved the Directors' remuneration policy. The results for both of these votes are shown below:

Resolution	Votes for	Votes against	Total votes cast	Votes withheld
Approval of the Directors' remuneration report at the 2025 AGM	740,079,990	25,965,675	766,045,665	270,908
	96.61 %	3.39 %		
Approval of the Directors' remuneration policy at the 2023 AGM	717,765,664	37,374,379	755,140,043	7,253,538
	95.05%	4.95 %		

Audit

The tables in this report (including the Notes thereto) on pages 146 to 169 marked as "audited" have been audited by KPMG.

By order of the Board

Coline McConville
 Chair, Remuneration Committee
 13 May 2026

Directors' remuneration policy

Policy report

Remuneration policy table

The table below summarises the policy in respect of each element of the Company's remuneration for Executive and non-executive Directors effective from the date of the 2026 Annual General Meeting. This policy will be put forward for shareholder approval at the 2026 Annual General Meeting in accordance with section 439A of the Companies Act 2006.

Changes to the policy operated in FY2026

The Committee reviewed the remuneration policy to ensure it continues to support the delivery of our long-term strategy and reflects the need to remain competitive in attracting and retaining talent. The Committee considered input from management, its independent remuneration advisors and consulted with major shareholders during the year. The changes being made to the policy, as compared to our previous policy, are to increase the maximum LTIP opportunities for all Executive Directors, increase the maximum annual bonus for the Finance Director and Chief Operating Officer, reduce the level of bonus deferral and increase the shareholding requirements for all Executive Directors.

Executive Directors

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
Base Salary			
<ul style="list-style-type: none"> To provide a fixed element of pay at a level that aids the recruitment, retention and motivation of high-performing people. To reflect their role, experience and importance to the business. 	<ul style="list-style-type: none"> Salaries are normally reviewed annually by the Committee, with any changes usually becoming effective from 1 July. These are reviewed by taking into account a number of factors, including: <ul style="list-style-type: none"> – performance of the Company and individual; – wider market and economic conditions; – any changes in responsibilities; and – the level of increases made across the Company. 	<ul style="list-style-type: none"> Whilst there is no maximum salary level, increases are generally considered in the context of those awarded to other employees and the wider market. Higher increases may be awarded in certain circumstances. For example, this may include a change in size, scope or responsibility of role, or development within the role or a specific retention issue. The annual base salary for each Executive Director is set out in the Annual report on remuneration for the year. 	<ul style="list-style-type: none"> None, although the Committee considers when setting salary levels the breadth and responsibilities of the role as well as the competence and experience of the individual.
Pension			
<ul style="list-style-type: none"> To provide contributions to Executive Directors to enable them to make long-term savings to provide post-retirement income. Pension contributions are provided both to support retention and recruit people of the necessary calibre. 	<ul style="list-style-type: none"> Participation in the defined contribution pension scheme (3i Retirement Plan) or cash equivalent, or a combination thereof. Prior to 2011 Executive Directors were eligible for membership of the 3i Group Pension Plan, a defined benefit contributory scheme. Pension accrual ceased for all members with effect from 5 April 2011. Salary linkage was removed in February 2023 and replaced with a time-limited cash allowance in line with other, similarly affected staff. 	<ul style="list-style-type: none"> Executive Directors receive a pension contribution or cash allowance of up to 12% of pensionable salary. The pension policy for Executive Directors is identical to the pension policy for other employees. For those Executive Directors who were members of the 3i Group Pension Plan, their deferred pension will change to reflect the deferred pension available on leaving, payable from age 60. Details for the current Executive Directors are set out in the Annual report on remuneration for the year. 	<ul style="list-style-type: none"> n/a

Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
Benefits			
<ul style="list-style-type: none"> To provide market competitive benefits at the level needed to attract and retain high-performing people. To provide health benefits to support the well-being of employees. 	<ul style="list-style-type: none"> Executive Directors are entitled to a combination of benefits, including, but not limited to, non-pensionable car allowance, private medical insurance, an annual health assessment and life assurance. The Remuneration Committee may remove benefits that Executive Directors receive or introduce other benefits if it is appropriate to do so. 	<ul style="list-style-type: none"> Whilst there is no maximum level of benefits, they are generally set at an appropriate market competitive level, taking into account a number of factors including market practice for comparable roles within appropriate pay comparators. The Remuneration Committee may review the benefits for an existing or new Executive Director at any point. 	<ul style="list-style-type: none"> n/a
Annual bonus			
<ul style="list-style-type: none"> To incentivise the achievement of the Group's strategic objectives on an annual basis. Deferral into shares reinforces retention and enhances alignment with shareholders by encouraging longer-term focus and risk alignment. 	<ul style="list-style-type: none"> Bonus awards are considered annually based on performance in the relevant financial year. All performance targets are reviewed and set by the Committee early in the year. Awards are typically determined by the Committee after the year end based upon the actual performance against these targets. Typically 50% of any bonus award will be deferred vesting in equal instalments over three years where the shareholding guideline has not been met. Where the shareholding guideline has been met, typically 33% of any bonus award will be deferred. Deferred bonus awards may be granted in the form of conditional share awards, options or forfeitable shares. Awards may also be settled in cash in exceptional circumstances. Participants receive the value of dividends in cash or shares on the shares which are subject to the award. Awards are subject to the malus/clawback policy (as set out in the Notes on page 165). 	<ul style="list-style-type: none"> Maximum bonus of 400% of salary for the Chief Executive. Maximum bonus of 350% of salary for the Finance Director and Chief Operating Officer. 	<ul style="list-style-type: none"> Performance is assessed against a balanced scorecard which aligns with the strategic objectives of the Group. The targets can be a range of financial, business line specific, personal, risk and other key Group targets. The Committee uses the scorecard as a prompt and guide to judgement and considers the performance outcomes in the wider context of personal performance (including values and behaviours), risk, market and other factors. The Committee has discretion to adjust the annual bonus outcomes, both upwards and downwards (where significant adjustment is required), to ensure the outcome is a fair reflection of the overall performance of the Company and the individual. Details of the annual performance targets/ expectations (and performance against them) are shown within the Annual report on remuneration.

Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
<p>Long-term Incentive Plan</p> <ul style="list-style-type: none"> Alignment of reward with long-term, sustainable Company performance and the creation of shareholder value over the longer term. 	<ul style="list-style-type: none"> All performance targets, along with relative weightings, are reviewed and set by the Committee. The Committee may make an award in the form of forfeitable shares, conditional share awards, stock appreciation rights, or options under the plan. Awards may be settled in cash in exceptional circumstances. Awards vest subject to the Group's achievements against the performance targets over a fixed three-year period. To the extent that shares vest, awards are subject to a holding period whereby they are released on or around (but not earlier than) the fifth anniversary of grant. The Committee may determine that participants may receive the value of dividends in cash or shares which would have been paid on the shares that vest under awards. Awards are subject to the malus/clawback policy (as set out on the next page 165). 	<ul style="list-style-type: none"> Awards granted in respect of a financial year will have a face value of up to 500% of salary for the Chief Executive. Awards granted in respect of a financial year will have a face value of up to 350% of salary for the Finance Director and Chief Operating Officer. Normally, no payment will be made for below threshold performance. Between 20% and 25% of the award vests at threshold performance, depending upon the performance condition. 	<ul style="list-style-type: none"> The scorecard will contain a measure of shareholder return, including at least one absolute or one market/peer group relative measure together with any other metrics the Committee feel are applicable at the time of grant. The achievement against these targets is measured over a three-year period and is determined by the Committee. The Committee has discretion to adjust the formulaic LTIP outcomes, both upwards and downwards (where significant adjustment is required), to ensure the outcome is a fair reflection of the performance of the Company and the individual. The Committee can reduce any award which would otherwise vest if gross debt or gearing limits are breached. Details of the current performance conditions are shown within the Annual report on remuneration.

Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
<p>Shareholding requirements</p> <ul style="list-style-type: none"> To create alignment with shareholders by encouraging longer-term focus. 	<ul style="list-style-type: none"> Executive Directors are required to build up over a reasonable period of time, and thereafter maintain, a shareholding in the Company's shares. Vested shares (net of income tax and National Insurance contributions) under the Deferred Bonus Plan and Long-term Incentive Plan should be retained until the shareholding requirement is met. In addition, shareholding targets exist for other members of the Executive Committee and for staff designated as "partners" in the Group's businesses. The Committee retains the ability to introduce additional retention conditions. Post cessation of employment, Executive Directors are also expected to remain aligned with the interests of shareholders for a period after leaving the Company, save for in exceptional circumstances. Details of this policy are set out in the Annual report of remuneration. 	<ul style="list-style-type: none"> The shareholding targets for the Executive Directors are: <ul style="list-style-type: none"> Chief Executive – 5.0 times salary Finance Director & Chief Operating Officer – 3.5 times salary 	<ul style="list-style-type: none"> n/a

Notes to the remuneration policy table

Performance conditions

The Committee selected the performance conditions used for determining the annual bonus and LTIP awards as they align directly with the short and long-term strategy of the business. These conditions are set annually by the Committee at levels that take into account the Board's business plan.

Consistency with policy for all employees

All employees are eligible to receive salary, pension contributions and benefits and to be considered for a discretionary annual bonus, with the maximum opportunities reflecting the role and seniority of each employee. Other members of the Executive Committee are subject to the same bonus deferral arrangements as the Executive Directors. Higher-earning members of staff below the Executive Committee have a portion of their bonus deferred into shares vesting in equal instalments over a three-year period.

Within each of the Group's businesses, senior members of staff have a significant part of their compensation linked to the long-term performance of the Group's and its clients' investments through carried interest schemes or similar arrangements.

Co-investment and carried interest plans

The Group's Long-term Incentive Plan, approved by shareholders on 4 July 2001, 6 July 2011 and 25 June 2020, prohibits the Chief Executive and Finance Director from participating in carried interest plans and similar arrangements. In addition, the Committee's policy is that no current Executive Director will benefit from these arrangements.

Directors' remuneration policy continued

Malus/clawback policy

Long-term incentive awards and deferred bonus share awards that have not been delivered to Executive Directors, may be forfeited or reduced in exceptional circumstances on such basis as the Committee considers to be fair, reasonable and proportionate taking into account an individual's role and responsibilities. Such exceptional circumstances include:

- (1) a material misstatement in the financial statements of the Company or Group or any Member of the Group; or
- (2) where an individual has caused, wholly or in part, a material loss for the Group as a result of:
 - (i) reckless, negligent or wilful actions or omissions; or
 - (ii) inappropriate values or behaviour.
- (3) an error in assessing any applicable Performance Conditions or the number of shares;
- (4) the assessment of any applicable Performance Conditions and/or the number of shares to be released being based on inaccurate or misleading information;
- (5) misconduct on the part of the individual concerned;
- (6) a Member of the Group is censured by a regulatory body or suffers a significant detrimental impact on its reputation, provided that the Committee determines that the individual was responsible for, or had management oversight over, the actions, omissions or behaviour that gave rise to that censure or detrimental impact; or
- (7) the Company (or entities representing a material proportion of the Group) becomes insolvent or otherwise suffers a corporate failure so that ordinary shares in the Company cease to have material value, provided that the individual is responsible (in whole or in part) for that insolvency or failure.

The Group may recover amounts that have been paid or released from awards (including cash bonus awards), as long as a written request for the recovery of such sums is made in the two-year period from the date of payment or release and in circumstances where either (a) there has been a material misstatement of Group financial statements or (b) the Group suffers a material loss, and (in either case) the Committee considers that there is reasonable evidence to show that the misstatement or loss has been caused by the individual's reckless, negligent or wilful actions or inappropriate values or behaviours. The Committee considers the malus and clawback timeframes to be a reasonable period over which incentive pay should remain at risk.

The Committee may make minor changes to this policy, which do not have a material advantage to Directors, to aid in its operation or implementation without seeking shareholder approval for a revised version of this policy report.

Non-executive Directors – Fees

Purpose and link to strategy	Operation	Opportunity
<ul style="list-style-type: none"> • To attract and retain high-performing non-executive Directors of the calibre required. 	<ul style="list-style-type: none"> • Non-executive Directors receive a basic annual fee. • The fee is currently delivered in a mix of cash and shares. • The Chairman's fee is reviewed annually by the Committee. • Fees are benchmarked against other companies of comparable size and against listed financial services companies. • The Board is responsible for determining all other non-executive Director fees, which are reviewed annually to ensure they remain appropriate. • Benefits may be provided in the future. Where they are introduced, they will be reasonable in the market context and take account of the individual circumstances and benefits provided to comparable roles. 	<ul style="list-style-type: none"> • Fees are set at a level which is considered appropriate to attract and retain the calibre of individual required by the Company but the Company avoids paying more than necessary for this purpose. • Additional fees are paid for the following roles/duties: <ul style="list-style-type: none"> • Senior Independent Director • Committee Chair • Committee membership • Committee fees are payable in respect of the Audit and Compliance Committee, Remuneration Committee, Valuations Committee and other Committees where appropriate. • Additional fees may also be paid for other additional responsibilities or increased time commitments on a one-off or on-going basis.

Directors' remuneration policy continued

Recruitment policy

In determining remuneration arrangements for new executive appointments to the Board (including internal promotions), the Committee will take into consideration all relevant factors, including the calibre of the individual, the nature of the role, local market practice, the individual's current remuneration package, 3i remuneration policy, internal relativities and existing arrangements for other Executive Directors. For external appointments, some variation may be necessary in order to attract the successful candidate and to reflect particular skills or experience specifically required.

The maximum level of variable pay (as expressed as a multiple of base salary) which may be awarded to new Executive Directors in respect of their appointment shall be no more generous than the combined maximum limits expressed in the remuneration policy table above in respect of the Chief Executive, with an appropriate mix between annual bonus and LTIP opportunity, excluding any awards made to compensate the Executive Director for awards forfeited by their previous employer. Where necessary relocation costs and/or benefits (including any tax) will be paid together with any legal fees or other costs incurred by the individual in relation to their appointment.

It may be necessary to compensate the new Executive Director for remuneration terms being forfeited from their current employer. The Committee's intention is that any such award would be no more generous than the awards being forfeited and would be determined on a comparable basis at the time of grant, including the pay-out schedule and performance conditions, where appropriate.

In determining whether it is appropriate to use judgement, as set out above, the Committee will ensure that any awards made are in the best interests of both the Company and its shareholders. The Committee is at all times conscious of the need to pay no more than is necessary, particularly when determining buyout arrangements.

For both internal and external appointments, it may be deemed appropriate, in order to attract and compensate a new Executive Director, to buy out awards held in carried interest or other asset-related incentive arrangements. The Committee's intention is that any such buyout would be at a fair value at the time of appointment.

In the event of the appointment of a new non-executive Director, remuneration arrangements will normally be in line with those detailed in the relevant table above.

Other elements may be included where an interim appointment is being made to fill an Executive Director role on a short-term basis or if exceptional circumstances require that a non-Executive Director takes on an executive function on a short-term basis.

Service contracts

The main terms of the service contracts of the Executive Directors who served in the year were as follows:

Provision	Policy
Notice period	<ul style="list-style-type: none"> • 12 months' notice if given by the Company. • 6 months' notice if given by the Executive Director. • Company policy is that Executive Directors' notice periods should not normally exceed one year. Save for these notice periods the contracts have no unexpired terms.
Dates of contracts	<ul style="list-style-type: none"> • Mr S A Borrows – 17 May 2012 • Mr J Hatchley – 12 May 2022 • Ms J Halai – 12 May 2022
Termination payments	<ul style="list-style-type: none"> • Mr Borrows' contract entitles the Company to terminate employment without notice subject to making 12 monthly payments thereafter equivalent to monthly basic pay and benefits less any amounts earned from alternative employment. • All Directors' contracts entitle the Company to give pay in lieu of notice.
Remuneration and benefits	<ul style="list-style-type: none"> • The operation of all incentive plans, including being eligible to be considered for an annual bonus and Long-term Incentive Plan awards, is non-contractual. • On termination of employment outstanding awards will be treated in accordance with the relevant plan rules.

The Chairman and the non-executive Directors do not have service contracts or contracts for services. Their appointment letters provide for no entitlement to compensation or other benefits on ceasing to be a Director. Service contracts are available for inspection at the Company's headquarters in business hours.

Directors' remuneration policy continued

Payment for loss of office

As outlined above, the Committee must satisfy any contractual obligations agreed with the Executive Directors. Details of the Directors' notice periods are shown alongside the service contract information.

An Executive Director may be eligible to receive an annual bonus in respect of the year up until he or she ceased employment, which will typically only be in "good leaver" scenarios and will typically be pro-rated for time. The Committee will determine the extent that deferral into shares should be applied, taking into account of regulatory requirements. In determining whether to award any bonus, the Committee will assess performance during the financial year up to the date of cessation of active involvement in their management role. The Committee may also make a payment in respect of outplacement costs and other associated costs where appropriate.

The treatment of outstanding share awards is governed by the relevant share plan rules. The following table and the Note below it summarise the leaver categories and the impact on the share awards which employees (including Executive Directors) may hold.

For the avoidance of doubt, the Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the policy set out above, where the terms of that payment were agreed (i) before the 2014 policy came into effect or (ii) before this policy came into effect, provided that the terms of payment were consistent with the shareholder approved Directors' remuneration policy in force at the time they were agreed or were otherwise approved by shareholders; or (iii) at a time when the relevant individual was not a Director of the Company (or other person to whom this policy applied) and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company or such other person. For these purposes "payments" includes the Committee satisfying awards of variable remuneration and, in relation to an award or option over shares, the terms of the payment are "agreed" at the time the award is granted. This policy applies equally to any individual who is required to be treated as a Director under the applicable regulations.

Plan	Good leaver categories	Good leaver treatment ¹	Bad leaver treatment ¹
Deferred share awards	<ul style="list-style-type: none"> • Death • Retirement • Ill health, injury, disability • Redundancy • Employing company/ business ceasing to be part of 3i Group • "Scheduled Departure" (ie a participant leaving on such a basis and/or within a specified timeframe as agreed by the Committee) 	<ul style="list-style-type: none"> • Awards vest in full on the normal vesting date. • On death, awards vest in full immediately. 	<ul style="list-style-type: none"> • Unvested awards lapse in full. • Vested awards structured as options may be exercised for three months following the participant's cessation of employment.
Long-term Incentive Plan	<ul style="list-style-type: none"> • Death • Retirement • Ill health, injury, disability • Redundancy • Employing company/ business ceasing to be part of 3i Group • "Scheduled Departure" (ie a participant leaving on such a basis and/or within a specified timeframe as agreed by the Committee) 	<ul style="list-style-type: none"> • Awards vest on the normal vesting date subject to performance. Pro rating for time will apply, unless the Committee determines otherwise. Awards will normally continue to be subject to any holding period which applies to the award. • If a participant dies, the Committee will determine the extent to which awards should vest as soon as practicable following the participant's death. 	<ul style="list-style-type: none"> • Awards normally lapse in full. • If the Committee decides in exceptional circumstances that the awards should vest after the participant's cessation of employment, awards will vest subject to performance and pro rating for time and other conditions may be imposed

¹ The treatments set out in the table above apply to all employees and are expected to operate in the vast majority of cases. The Plan rules retain discretion for the Committee to reduce awards in exceptional circumstances to Good Leavers or permit vesting (in whole or in part) of awards which would otherwise lapse to Bad Leavers. The Committee will report on the use of this discretion if it is exercised in relation to any Executive Director.

Directors' remuneration policy continued

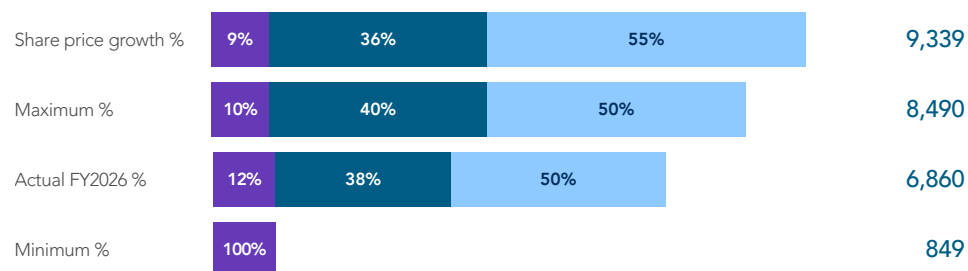
Change of control

Deferred share awards will generally vest early on a takeover, merger or other corporate reorganisation. Alternatively, participants may be allowed or required to exchange their awards for new awards.

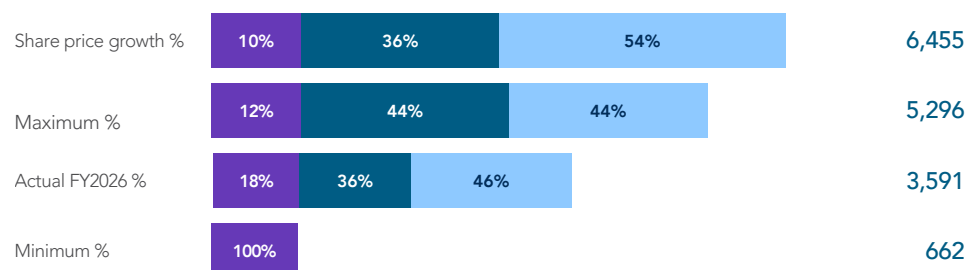
Long-term Incentive Plan awards will generally vest early on a takeover, merger or other corporate reorganisation. Alternatively, participants may be allowed or required to exchange their awards for new awards. Where an award vests early in these circumstances, the Committee will determine the level of vesting taking into account performance to that date and the proportion of the performance period that has passed.

Scenarios

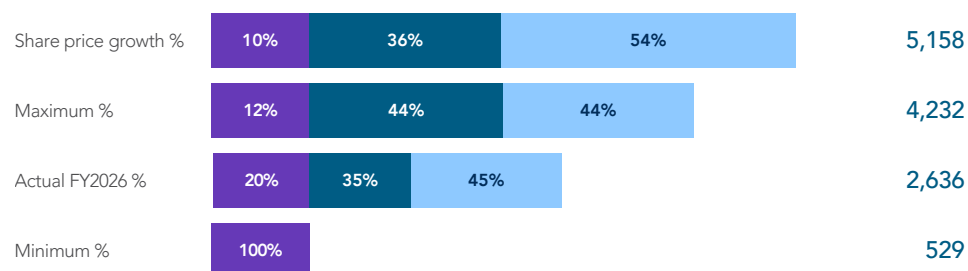
Chief Executive (£'000)



Finance Director (£'000)



Chief Operating Officer (£'000)



● Fixed remuneration
 ● Annual bonus (including deferred element)
 ● Long-term incentive

Directors' remuneration policy continued

The assumptions made in preparing these graphs are that:

- Minimum – this includes only the fixed elements of pay, being base salary, benefits and pension;
- Actual – this represents the remuneration received by each Executive Director for their performance in the year;
- Maximum – this is calculated as the fixed elements and the maximum annual bonus and Long-term Incentive Plan awards; and
- Share price growth – this is calculated as the fixed elements and the maximum annual bonus and Long-term Incentive Plan awards (assuming a 50% share price appreciation).

Consideration of wider employee pay

As part of the annual Committee agenda, the Committee reviews the overall pay and bonus decisions in aggregate for the Group. This ensures that the pay and conditions in the wider Group are taken into account when determining Directors' pay. In particular:

- the range of salary increases awarded over time to other employees are taken into account when considering salary increases for the Executive Directors; and
- the bonus awards made to Directors are considered and made in the context of the range of discretionary bonus awards made within the business. These are based upon Company performance, and are closely correlated to the Executive Director bonus awards.

The Company does not consult with employees when preparing the Executive Director remuneration policy. However, a number of our employees are shareholders and so are able to express their views in the same way as other shareholders.

Consideration of shareholder views

The Committee consulted with major shareholders during the year on the proposed changes to the policy and continues to be mindful of shareholder views when evaluating and setting ongoing remuneration strategy. The Committee commits to consulting with shareholders prior to any significant future changes to remuneration policy.

By Order of the Board

Coline McConville

Chair, Remuneration Committee

13 May 2026

Additional statutory and corporate governance information

The UK Listing Authority's Listing Rules require 3i, as a closed-ended investment fund, to publish an investment policy. Shareholder approval is required for material changes to this policy. Non-material changes can be made by the Board. The current policy is set out below. No changes have been made to the policy since it was published in the Company's 2018 Report and Accounts.

A proposed amendment to the policy to increase investment flexibility will be put to shareholders for approval at the 2026 AGM, as described in the Notice of AGM.

Investment policy

- 3i is an investment company which aims to provide its shareholders with quoted access to private equity and infrastructure returns. Currently, its main focus is on making quoted and unquoted equity and/or debt investments in businesses and funds in Europe, Asia and the Americas. The geographies, economic sectors, funds and asset classes in which 3i invests continue to evolve as opportunities are identified. Proposed investments are assessed individually and all significant investments require approval from the Group's Investment Committee. Overall investment targets are subject to periodic reviews and the investment portfolio is also reviewed to monitor exposure to specific geographies, economic sectors and asset classes.
- 3i seeks to diversify risk through significant dispersion of investments by geography, economic sector, asset class and size as well as through the maturity profile of its investment portfolio.
- Although 3i does not set maximum exposure limits for asset allocations, it does have a maximum exposure limit that, save as mentioned below, no investment will be made unless its cost¹ does not exceed 15% of the investment portfolio value as shown in the last published valuation. A further investment may be made in an existing portfolio business provided the aggregate cost of that investment and of all other unrealised investments in that portfolio business does not exceed 15% of the investment portfolio value as shown in the last published valuation. A higher limit of 30% will

apply to the Company's investment in 3i Infrastructure plc. For the avoidance of doubt, 3i may retain an investment, even if its carrying value is greater than 15% or 30% (as the case may be) of the portfolio value at the time of an updated valuation.

- Investments are generally funded with a mixture of debt and shareholders' funds with a view to maximising returns to shareholders, whilst maintaining a strong capital base. 3i's gearing depends not only on its level of debt, but also on the impact of market movements and other factors on the value of its investments. The Board takes this into account when, as required, it sets a precise maximum level of gearing. The Board has therefore set the maximum level of gearing at 150% and has set no minimum level of gearing. If the gearing ratio should exceed the 150% maximum limit, the Board will take steps to reduce the gearing ratio to below that limit as soon as practicable thereafter. 3i is committed to achieving balance sheet efficiency.

¹ Where 3i makes an investment in an existing portfolio business as part of a restructuring or reorganisation of its investment in that existing portfolio business (which restructuring or reorganisation may involve, without limitation, 3i disposing of all or part of its existing investment in the relevant portfolio business and reinvesting all or part of the proceeds into a different entity which acquires or holds the relevant portfolio business or a substantial part thereof), the cost of that investment, for the purposes of determining the maximum exposure limit under this policy, shall, to the extent that the investment does not increase 3i's exposure to the relevant portfolio business, be deemed to be the cost of 3i's existing investment in the relevant portfolio business (or, in the case of a partial reinvestment, the pro-rated cost of 3i's existing investment in the relevant portfolio business) immediately prior to the restructuring or reorganisation. If 3i's investment includes a further investment, such that 3i increases its overall exposure to the relevant portfolio business as part of the restructuring or reorganisation, the cost of any such further investment at the date of such investment shall be added to the cost of the investment in the existing portfolio business as determined pursuant to the previous sentence.

Additional statutory and corporate governance information continued

Appointment and re-election of Directors

Subject to the Company's Articles of Association, the Companies Act and satisfactory performance evaluation, non-executive Directors are appointed for an initial three-year term. Before the third and sixth anniversaries of first appointment, the Director discusses with the Board whether it is appropriate for a further three-year term to be served.

Under the Company's Articles of Association, the minimum number of Directors is two and the maximum is 20, unless otherwise determined by the Company by ordinary resolution. Directors are appointed by ordinary resolution of shareholders or by the Board. The Company's Articles of Association provide for all Directors to retire from office at every Annual General Meeting of the Company although they may offer themselves for re-appointment by the shareholders.

Shareholders can remove any Director by special resolution and appoint another person to be a Director in their place by ordinary resolution. Shareholders can also remove any Director by ordinary resolution of which special notice has been given.

Subject to the Company's Articles of Association, retiring Directors are eligible for re-appointment. The office of Director is vacated if the Director resigns, becomes bankrupt or is prohibited by law from being a Director or where the Board so resolves following the Director suffering from ill health or being absent from Board meetings for 12 months without the Board's permission.

The Board's responsibilities and processes

The composition of the Board and its Committees, as well as the Board's key responsibilities and the way in which it and its Committees work, are described on pages 106 to 169. The Board is responsible to shareholders for the overall management of the Group and may exercise all the powers of the Company subject to the provisions of relevant statutes, the Company's Articles of Association and any directions given by special resolution of the shareholders.

The Articles of Association empower the Board to offer, allot, grant options over or otherwise deal with or dispose of the Company's shares as the Board may decide.

The Companies Act 2006 authorises the Company to make market purchases of its own shares if the purchase has first been authorised by a resolution of the Company.

At the AGM in June 2025, shareholders renewed the Board's authority to allot ordinary shares and to repurchase ordinary shares on behalf of the Company subject to certain limits. Details of the authorities which the Board will be seeking at the 2026 AGM are set out in the 2026 Notice of AGM.

The Board's diversity policies in relation to Directors are described in the Nominations Committee report on page 129 and such policies in relation to employees are described on page 174.

Matters reserved for the Board

The Board has approved a formal schedule of matters reserved to it and its duly authorised Committees for decision. These include matters such as the Group's overall strategy, strategic plan and annual operating budget; approval of the Company's financial statements and changes to accounting policies or practices; changes to the capital structure or regulated status of the Company; major capital projects or changes to business operations; investments and divestments above certain limits; policy on borrowing, gearing, hedging and treasury matters; and adequacy of internal control systems.

Rights and restrictions attaching to shares

A summary of the rights and restrictions attaching to shares as at 31 March 2026 is set out below.

The Company's Articles of Association may be amended by special resolution of the shareholders in a general meeting. Holders of ordinary shares enjoy the rights set out in the Articles of Association of the Company and under the laws of England and Wales.

Any share may be issued with or have attached to it such rights and restrictions as the Company by ordinary resolution or, failing such resolution, the Board may decide.

Holders of ordinary shares are entitled to attend, speak and vote at general meetings and to appoint proxies and, in the case of corporations, corporate representatives to attend, speak and vote at such meetings on their behalf. To attend and vote at a general meeting a shareholder must be entered on the register of members at such time (not being earlier than 48 hours before the meeting) as stated in the Notice of general meeting. On a poll, holders of ordinary shares are entitled to one vote for each share held.

Holders of ordinary shares are entitled to receive the Company's Annual report and accounts, to receive such dividends and other distributions as may lawfully be paid or declared on such shares and, on any liquidation of the Company, to share in the surplus assets of the Company after satisfaction of the entitlements of the holders of any shares with preferred rights as may then be in issue.

There are no restrictions on the transfer of fully paid shares in the Company, save that the Board may decline to register: a transfer of uncertificated shares in the circumstances set out in the Uncertificated Securities Regulations 2001; a transfer to more than four joint holders; a transfer of certificated shares which is not in respect of only one class of share; a transfer which is not accompanied by the certificate for the shares to which it relates; a transfer which is not duly stamped in circumstances where a duly stamped instrument is required; or a transfer where in accordance with section 794 of the Companies Act 2006 a notice (under section 793 of that Act) has been served by the Company on a shareholder who has then failed to give the information required within the specified time.

Additional statutory and corporate governance information continued

In the latter circumstances, the Company may make the relevant shares subject to certain restrictions (including in respect of the ability to exercise voting rights, to transfer the shares validly and, except in the case of a liquidation, to receive the payment of sums due from the Company).

There are no shares carrying special rights with regard to control of the Company. There are no restrictions placed on voting rights of fully paid shares, save where in accordance with Article 12 of the Company's Articles of Association a restriction notice has been served by the Company in respect of shares for failure to comply with statutory notices or where a transfer notice (as described below) has been served in respect of shares and has not yet been complied with. Where shares are held on behalf of former or current employees under employee share schemes, those participants can give instructions to the holder of such shares as to how votes attached to such shares should be exercised.

In the circumstances specified in Article 38 of the Company's Articles of Association, the Company may serve a transfer notice on holders of shares. The relevant circumstances relate to: (a) potential tax disadvantage to the Company, (b) the number of "United States Residents" who own or hold shares being 75 or more, or (c) the Company being required to be registered as an investment company under relevant US legislation. The notice would require the transfer of relevant shares and, pending such transfer, the rights and privileges attaching to those shares would be suspended.

The Company is not aware of any agreements between holders of its securities that may restrict the transfer of shares or exercise of voting rights.

Share capital and debentures

The issued ordinary share capital of the Company as at 31 March 2026 was 1,024,702,777 ordinary shares of 73 19/22 pence each. The ordinary share capital increased over the year by 51,303,799 ordinary shares. Details of changes to the ordinary shares issued and of options and awards granted during the year are set out in Note 17 to the Financial Statements.

At the AGM on 26 June 2025 the Directors were authorised to repurchase up to 97,000,000 ordinary shares in the Company (representing approximately 10% of the Company's issued ordinary share capital as at 5 May 2025) until the Company's AGM in 2026 or 25 September 2026, if earlier. This authority was not exercised in the financial year ended 31 March 2026. On 14 May 2026, the Company announced that it will commence a share buyback programme of its ordinary shares of 73 19/22p each for up to a maximum aggregate consideration of £750 million, to be completed by no later than 31 December 2026. Details of the authorities which the Board will be seeking at the 2026 AGM are set out in the 2026 Notice of AGM.

As at 31 March 2026, the Company had sterling and euro fixed rate notes in issue as detailed in Note 14 to the accounts. The Articles of Association also specifically empower the Board to exercise the Company's powers to borrow money and to mortgage or charge the Company's assets and any uncalled capital and to issue debentures and other securities.

Portfolio management and voting policy

In relation to unquoted investments, the Group's approach is to seek to add value to the businesses in which the Group invests through the Group's extensive experience, resources and contacts and through active engagement with the Boards of those companies. In relation to quoted investments, the Group's policy is to exercise voting rights on all matters affecting its interests.

Tax and investment company status

The Company is an investment company under section 833 of the Companies Act 2006. HM Revenue & Customs has approved the Company as an Investment Trust under section 1158 of the Corporation Tax Act 2010 and the Company directs its affairs to enable it to continue to remain so approved.

Where appropriate, the Company looks to the provisions included within the Association of Investment Companies SORP.

Major interests in ordinary shares

The table below shows notifications of major voting interests in the Company's ordinary share capital (notifiable in accordance with Chapter 5 of the FCA's Disclosure Guidance and Transparency Rules or section 793 Companies Act 2006) that had been received by the Company as at 31 March 2025 and 21 April 2025.

	As at 31 March 2026	% of issued share capital	As at 21 April 2026	% of issued share capital
BlackRock, Inc	101,599,894	9.92	102,406,100	9.99
The Capital Group Companies, Inc	102,481,727	10.00	105,938,091	10.34
GIC Private Limited	56,105,273	5.48	56,332,689	5.50
Invesco Limited	54,032,279	5.27	53,889,451	5.26
Vanguard Group, Inc	51,734,670	5.05	51,734,670	5.05
WCM Investment Management, LLC	48,090,818	4.69	48,256,729	4.71

Additional statutory and corporate governance information continued

3i Investments plc

3i Investments plc is authorised by the FCA to, among other things, manage Alternative Investment Funds ("AIFs"). It is currently the Alternative Investment Fund Manager ("AIFM") of five AIFs, including the Company and 3i Infrastructure plc. In compliance with regulatory requirements, 3i Investments plc has ensured that a depository has been appointed for each AIF. This is Citibank UK Limited.

The Annual report and accounts meet certain investor disclosure requirements as set out in FUND 3.2.2R, 3.2.3R, 3.2.5R and 3.2.6R of the FCA's Investment Funds sourcebook ("FUND Disclosures") for the Company as a standalone entity. The Company's profit for the year is stated in its Company statement of changes in equity on page 183 and its financial position is shown on page 182. The Company performs substantially all of its investment-related activities through its subsidiaries and therefore the Group's Consolidated statement of comprehensive income is considered to be more useful to investors than a Company statement.

Furthermore, in some instances the relevant FUND Disclosures have been made in relation to the Group on a consolidated basis rather than in respect of the Company on a solo basis. This is because the Company operates through its Group subsidiaries and therefore reporting on the Group's activities provides more relevant information on the Company and its position. There have been no material changes to the disclosures required to be made under FUND 3.2.2R in the past year.

Although certain FUND Disclosures are made in this Annual report, full disclosures are summarised on the 3i website at www.3i.com. This will be updated as required and changes noted in future Annual reports.

For the purposes of the FUND Disclosures set out in FUND 3.3.5(R) (5) and (6), the total amount of remuneration paid by the AIFM to its staff for the year to 31 March 2026 was £131 million, of which £47 million was fixed remuneration and £84 million was variable remuneration. The total number of beneficiaries is 216.

The aggregate total remuneration paid to AIFM Identified Staff for the year to 31 March 2026 was £37 million, of which £30 million was paid to Senior Management and £7 million was paid to other AIFM Identified Staff. A summary of the remuneration policy of 3i can be found on the Company's website.

Dividends

A first FY2026 dividend of 36.5 pence per ordinary share in respect of the year to 31 March 2026 was paid on 9 January 2026. The Directors recommend a second FY2026 dividend of 48.0 pence per ordinary share be paid in respect of the year to 31 March 2026 to shareholders on the Register at the close of business on 19 June 2026.

The trustee of The 3i Group Employee Trust, the 2010 Carry Trust and the 2025 Trust have each waived (subject to certain minor exceptions) dividends declared on shares in the Company held by those trusts and the trustee of The 3i Group Share Incentive Plan has waived dividends on unallocated shares in the Company held by it.

Directors' conflicts of interests, external appointments and indemnities

Directors have a statutory duty to avoid conflicts of interest with the Company. The Company's Articles of Association enable Directors to approve conflicts of interest and include other conflict of interest provisions. The Company has implemented processes to identify potential and actual conflicts of interest. Such conflicts are then considered for approval by the Board, subject, if necessary, to appropriate conditions.

The Board has adopted a policy on Directors' other appointments under which additional external appointments should not be undertaken without prior approval of the Board. Executive Directors should not take on more than one non-executive directorship in a FTSE 100 company or other significant appointment.

As permitted by the Company's Articles of Association during the year and as at the date of this Directors' report, there were in place Qualifying Third-Party Indemnity Provisions (as defined under relevant legislation) for the benefit of the Company's Directors and Qualifying Pension Scheme Indemnity Provisions for the benefit of the directors of one associated company, Gardens Pension Trustees Limited.

Directors' employment contracts

Mr S A Borrows, Ms J H Halai and Mr J G Hatchley each have employment contracts with the Group with notice periods of 12 months where notice is given by the Group and six months where notice is given by the Director. Save for these notice periods their employment contracts have no unexpired terms. None of the other Directors has a service contract with the Company.

Additional statutory and corporate governance information continued

Employment

The employment policy of the Group is one of equal opportunity in the selection, training, career development and promotion of employees, regardless of age, gender, sexual orientation, ethnic origin, religion and whether disabled or otherwise. Further details on equal opportunities and diversity are included in the Sustainability report on pages 62 to 65 and in the Nominations Committee report on page 129.

3i treats applicants and employees with disabilities fairly and provides facilities, equipment and training to assist disabled employees to do their jobs. Arrangements are made as necessary to ensure support to job applicants who happen to be disabled and who respond to requests to inform the Company of any requirements. Should an employee become disabled during their employment, efforts would be made to retain them in their current employment or to explore the opportunities for their retraining or redeployment within 3i. Financial support is also provided by 3i to support disabled employees who are unable to work, as appropriate to local market conditions.

3i's principal means of keeping in touch with the views of its employees is through employee appraisals, informal consultations, team briefings and employee conferences. Managers throughout 3i have a continuing responsibility to keep their staff informed of developments and to communicate financial results and other matters of interest. This is achieved by structured communication including regular meetings of employees. Members of the Board have regular formal and informal interaction with a significant number of 3i employees, including through office visits and one-to-one meetings.

3i is an equal opportunities employer and has clear grievance and disciplinary procedures in place. 3i also has an employee assistance programme which provides a confidential, free and independent counselling service and is available to all UK employees and their families in the UK.

3i's employment policies are designed to provide a competitive reward package which will attract and retain high-quality staff, whilst ensuring that the relevant costs remain at an appropriate level.

3i's remuneration policy is influenced by 3i's financial and other performance conditions and market practices in the countries in which it operates. All employees receive a base salary and are also eligible to be considered for a performance-related annual variable incentive award. For those members of staff receiving higher levels of annual variable incentive awards, a proportion of such awards is delivered in 3i shares, vesting over a number of years. Remuneration policy is reviewed by the 3i Group plc Remuneration Committee, comprising 3i Group plc non-executive Directors.

Where appropriate, employees are eligible to participate in 3i share schemes to encourage employees' involvement in 3i's performance. Investment executives in the Private Equity business line may also participate in carried interest schemes, which allow executives to share directly in future profits on investments. Similarly, investment executives in the Infrastructure business line may participate in asset-linked and/or fee-linked incentive arrangements. Employees participate in local state or company pension schemes as appropriate to local market conditions.

Employees are able to raise in confidence with the Company any matters of concern. Issues can be raised with line management, the Internal Audit team and the Human Resources team as appropriate. Employees can also raise matters with an externally run confidential telephone reporting line and can do so anonymously if they wish. Matters raised are investigated and followed up as appropriate. The Board monitors any matters reported to the externally run telephone reporting line, through an annual report to Audit and Compliance Committee from Internal Audit.

Workforce engagement

The Company has a Staff Engagement strategy which has been adopted by the Board as the most appropriate way for the Company to comply with the relevant requirements of the Code. This is in preference to adopting one of the three workforce engagement examples specifically mentioned in the UK Corporate Governance Code. The Board believes this strategy is appropriate and proportionate in the context of an office-based workforce, with in the region of 223 employees worldwide, all of whom engage regularly with members of senior management. Senior management and members of the Board meet formally and informally with staff in a variety of contexts, including office visits, investment reviews, Board and Committee presentations and Board dinners with investment teams. A general open door policy (whether physically or virtually) adopted by senior management encourages interaction with staff. The Human Resources team are a point of contact for all members of staff and they, as well as line managers, report issues requiring management attention to senior management as they occur. The Internal Audit and Group Compliance teams consider employee matters including culture, compliance with the Company's values and staff turnover in their reports to senior management. The formal annual appraisal process provides a further opportunity for engagement.

During the year, the Board visited 3i's Amsterdam and New York offices and met formally and informally with the teams based there. Directors receive updates on employee matters in presentations from the business line heads, as well as from the Chief Human Resources Officer, in the annual Board consideration of the Group Succession Planning and Strategic Capability Review. Committee Chairs held a number of private and other meetings with function heads during the year. Non-executive Directors also meet with a wide range of members of the investment teams at the twice-yearly PCR meetings.

Additional statutory and corporate governance information continued

Diversity and inclusion policy

Details of the Company's approach to diversity and inclusion are set out under the heading Employment on page 174, in the Sustainability section on pages 62 to 65 and in the Nominations Committee report on page 129.

Political donations

In line with Group policy, during the year to 31 March 2026, no donations were made to political parties or organisations, or independent election candidates, and no political expenditure was incurred, (31 March 2025: none).

Share reunification programme

The Board approved a programme to reunify shareholders with their dormant shareholdings. A tracing programme was conducted by the Registrar during 2023 and 2024 to attempt to contact dormant shareholders. Where this was not possible and in accordance with the Company's Articles of Association, the relevant shares were sold and the proceeds returned to 3i. The shareholder or their personal representatives have six years from the date of sale in which to claim the proceeds of sale. Unclaimed dividends associated with the shares sold were also returned to 3i and shareholders or their personal representatives have 12 years from when the dividend was declared or became due in which to make a claim. Dividends which have been unclaimed for 12 years are forfeited, unless the Board decides otherwise. The Board agreed that a sum equal to the majority of the funds returned to 3i in this programme would be used for charitable purposes, with the balance kept to meet claims.

Significant agreements

As at 31 March 2026, the Company was party to one agreement subject to a renegotiation period on a change of control of the Company following a takeover bid. This agreement is a £1,200 million multi-currency Revolving Credit Facility Agreement dated 3 July 2025 between the Company, Barclays Bank PLC and a number of other banks. The Company is required to promptly notify Barclays Bank PLC, as agent bank, of a change of control. This opens a 20-day negotiation period to determine if each lender is willing to continue participating in the facility. For any lender with whom no agreement is reached, amounts outstanding to that lender would be repayable and their commitment cancelled, with no less than 10 business days' notice after the end of the negotiation period.

Internal control and risk management systems

A description of the Group's internal control and risk management systems in relation to the financial reporting process is set out in the Risk management section on pages 94 to 104.

Going concern

The Directors have acknowledged their responsibilities in relation to the financial statements for the year to 31 March 2026.

After making enquiries, the Directors considered it appropriate to prepare the financial statements of the Company, and the Group, on a going concern basis. The Viability statement is included on pages 139 and 140.

Audit information

Pursuant to section 418(2) of the Companies Act 2006, each of the Directors confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- they have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of such information.

Appointment of Auditor

In accordance with section 489 of the Companies Act 2006, a resolution proposing the reappointment of KPMG LLP as the Company's Auditor will be put to members at the forthcoming AGM.

Information required by Listing Rule 6.6.4

Information required by Listing Rule 6.6.4 not included in this section of the Directors' report may be found as set out below:

Topic	Location
Capitalised interest	Portfolio income on page 84
Share allotments	Note 17 on page 206

Website

3i's website provides a brief description of 3i's history, current operations, strategy and portfolio, as well as articles, interviews and videos to showcase specific themes and investments. It also includes an archive of over 10 years of news and historical financial information on the Group and details of forthcoming events for shareholders and analysts.

Additional statutory and corporate governance information continued

Information included in the Strategic report

In accordance with section 414 C (11) of the Companies Act 2006, the following information otherwise required to be set out in the Directors' report has been included in the Strategic report: risk management objectives and policies; post-balance sheet events; likely future developments in the business; engagement with suppliers, customers and others; employee involvement; and greenhouse gas emissions. The Directors' Viability statement is also shown in the Resilience statement on pages 137 and 140.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual report and the Group and parent Company financial statements for each financial year in accordance with applicable United Kingdom law and regulations. They are required to prepare the Group financial statements in accordance with UK adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements on the same basis.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards and applicable law;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

- use the going concern basis of accounting unless they either intend to liquidate the Group, or the parent Company, or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate governance statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the Annual financial report

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- the Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Directors consider this Annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors of the Company and their functions are listed on pages 110 and 112.

3i Group plc is registered in England with company number 1142830.

Directors' report

For the purposes of the UK Companies Act 2006, the Directors' report of 3i Group plc comprises the Governance section on pages 105 to 176 other than the Directors' remuneration report on pages 146 to 169.

The Strategic report, Directors' report and Directors' remuneration report have been drawn up and presented in accordance with and in reliance upon English company law and the liabilities of the Directors in connection with those reports shall be subject to the limitations and restrictions provided by that law.

By order of the Board

K J Dunn

Company Secretary

13 May 2025

Registered office: 1 Knightsbridge London SW1X 7LX



Audited financial statements

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Consolidated statement of comprehensive income

for the year to 31 March

	Notes	2026 £m	2025 £m
Realised profits over value on the disposal of investments	2	21	5
Unrealised profits on the revaluation of investments	3	2,996	3,812
Fair value movements on investment entity subsidiaries	11	1,565	953
Portfolio income			
Dividends		255	413
Interest income from investment portfolio		23	29
Fees receivable	4	6	13
Foreign exchange on investments		644	(245)
Movement in the fair value of derivatives	15	(14)	82
Gross investment return		5,496	5,062
Fees receivable from external funds	4	68	64
Operating expenses	5	(134)	(149)
Interest receivable		15	15
Interest payable		(65)	(65)
Exchange movements		(122)	77
Income from investment entity subsidiaries		18	21
Other expense		(1)	(1)
Operating profit before carried interest		5,275	5,024
Carried interest			
Carried interest and performance fees receivable		23	29
Carried interest and performance fees payable	13	(5)	(14)
Operating profit before tax		5,293	5,039
Tax credit/(charge)	7	1	(1)
Profit for the year		5,294	5,038
Other comprehensive income that may be reclassified to the income statement			
Exchange differences on translation of foreign operations		8	7
Other comprehensive income that will not be reclassified to the income statement			
Re-measurements of defined benefit plans	23	2	4
Other comprehensive income for the year		10	11
Total comprehensive income for the year		5,304	5,049
Earnings per share			
Basic (pence)	8	539.4	522.0
Diluted (pence)	8	538.6	520.6

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated statement of financial position

as at 31 March

	Notes	2026 £m	2025 £m
Assets			
Non-current assets			
Investments			
Quoted investments	10,12	897	856
Unquoted investments	10,12	20,053	17,500
Investments in investment entity subsidiaries	11,12	10,535	6,916
Investment portfolio		31,485	25,272
Other non-current assets		22	29
Retirement benefit surplus	23	–	63
Property, plant and equipment		17	18
Right of use asset		43	41
Derivative financial instruments	15	10	46
Total non-current assets		31,577	25,469
Current assets			
Carried interest and performance fees receivable		24	33
Other current assets		60	51
Derivative financial instruments	15	42	91
Cash and cash equivalents		635	412
Total current assets		761	587
Total assets		32,338	26,056
Liabilities			
Non-current liabilities			
Trade and other payables	16	(9)	(9)
Carried interest and performance fees payable	13	(31)	(29)
Loans and borrowings	14	(1,211)	(1,194)
Derivative financial instruments	15	(22)	(4)
Retirement benefit deficit	23	(17)	(17)
Lease liability		(45)	(42)
Total non-current liabilities		(1,335)	(1,295)
Current liabilities			
Trade and other payables	16	(107)	(135)
Carried interest and performance fees payable	13	(4)	(12)
Lease liability		(5)	(3)
Total current liabilities		(116)	(150)
Total liabilities		(1,451)	(1,445)
Net assets		30,887	24,611

	Notes	2026 £m	2025 £m
Equity			
Issued capital	17	757	719
Share premium	17	2,494	792
Capital redemption reserve		43	43
Share-based payment reserve	24	29	35
Translation reserve		9	1
Capital reserve		26,205	21,257
Revenue reserve		1,428	1,845
Own shares	18	(78)	(81)
Total equity		30,887	24,611

The Notes to the accounts section forms an integral part of these financial statements.

David Hutchison

Chair

13 May 2026

Consolidated statement of changes in equity

for the year to 31 March

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2026									
Total equity at the start of the year	719	792	43	35	1	21,257	1,845	(81)	24,611
Profit for the year	–	–	–	–	–	4,964	330	–	5,294
Exchange differences on translation of foreign operations	–	–	–	–	8	–	–	–	8
Re-measurements of defined benefit plans	–	–	–	–	–	2	–	–	2
Total comprehensive income for the year	–	–	–	–	8	4,966	330	–	5,304
Share-based payments	–	–	–	12	–	–	–	–	12
Release on exercise/forfeiture of share awards	–	–	–	(18)	–	–	18	–	–
Exercise of share awards	–	–	–	–	–	(18)	–	18	–
Ordinary dividends	–	–	–	–	–	–	(765)	–	(765)
Purchase of own shares	–	–	–	–	–	–	–	(15)	(15)
Issue of ordinary shares	38	1,702	–	–	–	–	–	–	1,740
Total equity at the end of the year	757	2,494	43	29	9	26,205	1,428	(78)	30,887

1 Refer to Note 17 for the nature of the capital and revenue reserves.

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2025									
Total equity at the start of the year	719	791	43	42	(6)	17,154	1,519	(92)	20,170
Profit for the year	–	–	–	–	–	4,535	503	–	5,038
Exchange differences on translation of foreign operations	–	–	–	–	7	–	–	–	7
Re-measurements of defined benefit plans	–	–	–	–	–	4	–	–	4
Total comprehensive income for the year	–	–	–	–	7	4,539	503	–	5,049
Share-based payments	–	–	–	16	–	–	–	–	16
Release on exercise/forfeiture of share awards	–	–	–	(23)	–	–	23	–	–
Exercise of share awards	–	–	–	–	–	(11)	–	11	–
Ordinary dividends	–	–	–	–	–	(425)	(200)	–	(625)
Issue of ordinary shares	–	1	–	–	–	–	–	–	1
Total equity at the end of the year	719	792	43	35	1	21,257	1,845	(81)	24,611

1 Refer to Note 17 for the nature of the capital and revenue reserves.

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated cash flow statement

for the year to 31 March

	Notes	2026 £m	2025 £m
Cash flow from operating activities			
Purchase of investments		(68)	(150)
Proceeds from investments		853	1,107
Amounts paid to investment entity subsidiaries		(1,072)	(1,537)
Amounts received from investment entity subsidiaries		972	865
Cash flow from derivatives		89	113
Portfolio interest received		6	6
Portfolio dividends received		253	420
Portfolio fees received		4	7
Fees received from external funds		64	65
Carried interest and performance fees received		31	44
Carried interest and performance fees paid	13	(14)	(23)
Operating expenses paid		(140)	(122)
Other cash income		6	1
Other cash expenses		(1)	(48)
Interest received		15	15
Net cash flow from operating activities		998	763
Cash flow from financing activities			
Issue of shares		1	1
Purchase of own shares	18	(15)	–
Dividend paid	9	(765)	(625)
Lease payments	14	(5)	(6)
Interest paid		(66)	(60)
Net cash flow from financing activities		(850)	(690)
Cash flow from investing activities			
Purchases of property, plant and equipment		(1)	(16)
Proceeds from settlement of defined benefit pension		65	–
Net cash flow from investing activities		64	(16)
Change in cash and cash equivalents			
Cash and cash equivalents at the start of the year		412	358
Effect of exchange rate fluctuations		11	(3)
Cash and cash equivalents at the end of the year		635	412

The Notes to the accounts section forms an integral part of these financial statements.

Company statement of financial position

as at 31 March

	Notes	2026 £m	2025 £m
Assets			
Non-current assets			
Investments			
Quoted investments	10,12	897	856
Unquoted investments	10,12	20,053	17,500
Investment portfolio		20,950	18,356
Interests in Group entities	22	10,231	6,642
Other non-current assets		9	15
Derivative financial instruments	15	10	46
Total non-current assets		31,200	25,059
Current assets			
Carried interest and performance fees receivable		11	6
Other current assets		9	3
Derivative financial instruments	15	42	91
Cash and cash equivalents		602	381
Total current assets		664	481
Total assets		31,864	25,540
Liabilities			
Non-current liabilities			
Loans and borrowings	14	(1,211)	(1,194)
Derivative financial instruments	15	(22)	(4)
Total non-current liabilities		(1,233)	(1,198)
Current liabilities			
Trade and other payables	16	(62)	(75)
Total current liabilities		(62)	(75)
Total liabilities		(1,295)	(1,273)
Net assets		30,569	24,267

	Notes	2026 £m	2025 £m
Equity			
Issued capital	17	757	719
Share premium	17	2,494	792
Capital redemption reserve		43	43
Share-based payment reserve	24	29	35
Capital reserve		26,932	21,947
Revenue reserve		392	812
Own shares	18	(78)	(81)
Total equity		30,569	24,267

The Company profit for the year to 31 March 2026 is £5,330 million (2025: £5,294 million).

The Notes to the accounts section forms an integral part of these financial statements.

David Hutchison

Chair

13 May 2026

Company statement of changes in equity

for the year to 31 March

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2026								
Total equity at the start of the year	719	792	43	35	21,947	812	(81)	24,267
Profit for the year	–	–	–	–	5,003	327	–	5,330
Total comprehensive income for the year	–	–	–	–	5,003	327	–	5,330
Share-based payments	–	–	–	12	–	–	–	12
Release on exercise/forfeiture of share awards	–	–	–	(18)	–	18	–	–
Exercise of share awards	–	–	–	–	(18)	–	18	–
Ordinary dividends	–	–	–	–	–	(765)	–	(765)
Purchase of own shares	–	–	–	–	–	–	(15)	(15)
Issue of ordinary shares	38	1,702	–	–	–	–	–	1,740
Total equity at the end of the year	757	2,494	43	29	26,932	392	(78)	30,569

1 Refer to Note 17 for the nature of the capital and revenue reserves.

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2025								
Total equity at the start of the year	719	791	43	42	17,685	393	(92)	19,581
Profit for the year	–	–	–	–	4,698	596	–	5,294
Total comprehensive income for the year	–	–	–	–	4,698	596	–	5,294
Share-based payments	–	–	–	16	–	–	–	16
Release on exercise/forfeiture of share awards	–	–	–	(23)	–	23	–	–
Exercise of share awards	–	–	–	–	(11)	–	11	–
Ordinary dividends	–	–	–	–	(425)	(200)	–	(625)
Issue of ordinary shares	–	1	–	–	–	–	–	1
Total equity at the end of the year	719	792	43	35	21,947	812	(81)	24,267

1 Refer to Note 17 for the nature of the capital and revenue reserves.

The Notes to the accounts section forms an integral part of these financial statements.

Company cash flow statement

for the year to 31 March

	Notes	2026 £m	2025 £m
Cash flow from operating activities			
Purchase of investments		(68)	(150)
Proceeds from investments		853	1,107
Amounts paid to subsidiaries		(1,505)	(1,941)
Amounts received from subsidiaries		1,324	1,039
Dividends from subsidiaries		85	142
Cash flow from derivatives		89	113
Portfolio interest received		6	6
Portfolio dividends received		253	420
Portfolio fees paid		(2)	(1)
Carried interest and performance fees received		2	25
Interest received		14	14
Other cash income		6	–
Other cash expense		–	(34)
Net cash flow from operating activities		1,057	740
Cash flow from financing activities			
Issue of shares		1	1
Purchase of own shares	18	(15)	–
Dividends paid	9	(765)	(625)
Interest paid		(65)	(60)
Net cash flow from financing activities		(844)	(684)
Change in cash and cash equivalents		213	56
Cash and cash equivalents at the start of the year		381	328
Effect of exchange rate fluctuations		8	(3)
Cash and cash equivalents at the end of the year		602	381

The Notes to the accounts section forms an integral part of these financial statements.

Material accounting policies

Reporting entity

3i Group plc (the "Company") is a public limited company incorporated and domiciled in England and Wales. The consolidated financial statements ("the Group accounts") for the year to 31 March 2026 comprise the financial statements of the Company and its consolidated subsidiaries (collectively, "the Group").

The Group accounts have been prepared and approved by the Directors in accordance with section 395 of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its Company statement of comprehensive income and related Notes.

A Basis of preparation

The Group and Company accounts have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards. The financial statements are presented to the nearest million sterling (£m), the functional currency of the Company.

The Group and Company did not implement the requirements of any new standards in issue for the year ended 31 March 2026.

The IASB introduced a new IFRS Accounting Standard, IFRS 18 to replace IAS 1 Presentation of Financial Statements. This new standard establishes detailed requirements for classifying and aggregating income and expenses in the income statement, as well as disclosure obligations for management defined performance measures. IFRS 18 will have no impact on the Group's total comprehensive income as it does not impact recognition or measurement. The standard applies for annual reporting periods beginning on or after 1 January 2027 and was endorsed for use in the UK on 10 December 2025.

Going concern

These financial statements have been prepared on a going concern basis as disclosed in the Directors' report. The Directors have made an assessment of going concern for a period of at least 12 months from the date of approval of the accounts, taking into account the Group's current performance against a subdued macroeconomic environment and an uncertain geopolitical backdrop, financial position and the principal and emerging risks facing the business.

The Directors' assessment of going concern, which takes into account the business model on pages 20 and 21 and the Group's liquidity of £1,864 million, indicates that the Group and parent company will have sufficient funds to continue as a going concern, for at least the next 12 months from the date of approval of the accounts. As detailed within the Financial review on pages 83 to 87 on the Investment basis the Group covers its cash operating expenses of £145 million at 31 March 2026, with cash

income generated by our Private Equity and Infrastructure businesses and Scandlines of £421 million at 31 March 2026. During the year, we refinanced the Group's existing £900 million RCF with a new five-year £1.2 billion RCF at improved pricing. The new RCF provides the Group with additional financial flexibility at low cost until July 2030, with extension options to July 2032. The RCF continues to have no financial covenants. The Group's liquidity comprises cash and deposits of £664 million (31 March 2025: £423 million) and an undrawn multi-currency facility of £1,200 million (31 March 2025: £900 million), which has no financial covenants.

As a proprietary investor, the Group has a long-term, responsible investment approach, and is not subject to external pressure to realise investments before optimum value can be achieved. The Board has the ability to take certain actions to help support the Group in adverse circumstances. Mitigating actions within management control during extended periods of low liquidity include, for example, drawing on the existing RCF or temporarily reducing new investment levels. The Group manages liquidity with the aim of ensuring it is adequate and sufficient, by regular monitoring of investments, realisations, operating expenses and portfolio cash income and there have been no post balance sheet changes that would be materially detrimental to liquidity. The Directors are of the opinion that the Group's cash flow forecast is sufficient to support the Group given the current market, economic conditions and outlook.

Having performed the assessment on going concern, the Directors considered it appropriate to prepare the financial statements of the Company and Group on a going concern basis, and have concluded that the Group has sufficient financial resources, is well placed to manage business risks in the current economic environment, and can continue operations for a period of at least 12 months from the date of issue of these financial statements.

Material accounting policies continued

B Basis of consolidation

In accordance with IFRS 10, the Company meets the criteria as an investment entity and therefore is required to recognise subsidiaries that also qualify as investment entities at fair value through profit or loss. It does not consolidate the investment entities it controls.

Subsidiaries that provide investment-related services, such as advisory, management or employment services, are not accounted for at fair value through profit and loss and continue to be consolidated unless those subsidiaries qualify as investment entities, in which case they are recognised at fair value. Subsidiaries are entities controlled by the Group. Control, as defined by IFRS 10, is achieved when the Group has all of the following:

- power over the relevant activities of the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to affect those returns through its power over the investee.

The Group is required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial treatment is accurate.

Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. All intragroup balances and transactions with subsidiaries are eliminated upon consolidation. Subsidiaries are de-consolidated from the date that control ceases.

The Group comprises several different types of subsidiaries. For a new subsidiary, the Group assesses whether it qualifies as an investment entity under IFRS 10, based on the function the entity performs within the Group. For existing subsidiaries, the Group annually reassesses the function performed by each type of subsidiary to determine if the treatment under IFRS 10 exception from consolidation is still appropriate. The types of subsidiaries and their treatment under IFRS 10 are as follows:

General Partners (“GPs”) – Consolidated

General Partners provide investment management services and do not hold any direct investments in portfolio assets. These entities are not investment entities.

Investment managers/advisers – Consolidated

These entities provide investment-related services through the provision of investment management or advice. They do not hold any direct investments in portfolio assets. These entities are not investment entities.

Holding companies of investment managers/advisers – Consolidated

These entities provide investment-related services through their subsidiaries. Typically they do not hold any direct investment in portfolio assets and these entities are not investment entities.

Limited partnerships and other intermediate investment holding structures – Fair valued

The Group makes investments in portfolio assets through its ultimate parent company, as well as through other limited partnerships and corporate subsidiaries, which the Group has created to align the interests of the investment teams with the performance of the assets, through the use of various carried interest schemes. The purpose of these limited partnerships and corporate holding vehicles, many of which also provide investment-related services, is to invest for investment income and capital appreciation. These partnerships and corporate subsidiaries meet the definition of an investment entity and are accounted for at fair value through profit and loss.

Portfolio investments – Fair valued

Under IFRS 10, the test for accounting subsidiaries takes wider factors of control as well as actual equity ownership into account. In accordance with the investment entity exception, these entities have been held at fair value with movements in fair value being recognised in profit or loss.

Associates – Fair valued

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group’s investment portfolio are carried in the Consolidated statement of financial position at fair value even though the Group may have significant influence over those companies.

Further detail on our application of IFRS 10 can be found in the Reconciliation of Investment basis to IFRS section.

Material accounting policies continued

C Critical accounting judgements and estimates

The reported results of the Group are sensitive to the accounting policies, assumptions and estimates that underpin the preparation of its financial statements. UK company law and IFRS require the Directors, in preparing the Group's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. The actual outcome may be materially different from that anticipated.

(a) Critical judgements

In the course of preparing the financial statements, one judgement has been made in the process of applying the Group's accounting policies, other than those involving estimations, that has had a significant effect on the amounts recognised in the financial statements as follows:

I. Assessment as an investment entity

The Board has concluded that the Company meets the definition of an investment entity under IFRS 10.

This assessment reflects that 3i raises funds from more than one investor and invests for capital appreciation and investment income and evaluates performance on a fair value basis. The Group's activities are focused on investing in a diversified portfolio of private equity and infrastructure assets, with performance measured through fair value in line with IFRS 13. 3i provides strategic oversight and governance support to investee companies, it does not undertake day to day operational management. Each investment is held with a defined exit strategy, supporting the Group's focus on maximising value on realisation for our investors.

Subsidiaries providing investment management services, are consolidated, while investment holding structures, portfolio companies and associates are measured at fair value through profit or loss. This judgement is reassessed during the year and remains appropriate given the Group's purpose, business model, strategic objectives and fair value-based performance evaluation.

(b) Critical estimates

In addition to these significant judgements, the Directors have made one estimate, which they deem to have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements within the next financial year. The detail of this estimate is as follows:

I. Fair valuation of the investment portfolio

The investment portfolio, a material group of assets of the Group, is held at fair value. Details of valuation methodologies used and the associated sensitivities are disclosed in Note 12 Fair values of assets and liabilities in this document. Given the importance of this area, the Board has a separate Valuations Committee to review the valuations policies, process and application to individual investments. A report on the activities of the Valuations Committee (including a review of the assumptions made) is included in the Valuations Committee report on pages 141 to 145.

Material accounting policies continued

D Other accounting policies

(a) Gross investment return

Gross investment return is equivalent to “revenue” for the purposes of IAS 1. It represents the overall increase in net assets from the investment portfolio net of deal-related costs and includes foreign exchange movements in respect of the investment portfolio. The substantial majority is investment income and outside the scope of IFRS 15. It is analysed into the following components with the relevant standard shown where appropriate:

- i. Realised profits or losses over value on the disposal of investments are the difference between the fair value of the consideration received in accordance with IFRS 13 less any directly attributable costs, on the sale of equity and the repayment of interest income from the investment portfolio, and its carrying value at the start of the accounting period, converted into sterling using the exchange rates in force at the date of disposal. See Note 2 for more details.
- ii. Unrealised profits or losses on the revaluation of investments are the movement in the fair value of investments in accordance with IFRS 13 between the start and end of the accounting period converted into sterling using the exchange rates in force at the date of fair value assessment. See Note 3 for more details.
- iii. Fair value movements on investment entity subsidiaries are the movements in the fair value of Group subsidiaries which are classified as investment entities under IFRS 10. The Group makes investments in portfolio assets through these entities which are usually limited partnerships or corporate subsidiaries. See Note 11 for more details.
- iv. Portfolio income is that portion of income that is directly related to the return from individual investments. It is recognised to the extent that it is probable that there will be economic benefit and the income can be reliably measured. The following specific recognition criteria must be met before the income is recognised:

- Dividends from equity investments are recognised in profit or loss when the shareholders’ rights to receive payment is established;
 - Interest income from the investment portfolio is recognised as it accrues. When the fair value of an investment is assessed to be below the principal value of a loan, the Group recognises a provision against any interest accrued from the date of the assessment going forward until the investment is assessed to have recovered in value; and
 - The accounting policy for fee income is included in Note 4.
- v. Foreign exchange on investments arises on investments made in currencies that are different from the functional currency of the Company, being sterling. Investments are translated at the exchange rate ruling at the date of the transaction in accordance with IAS 21. At each subsequent reporting date, investments are translated to sterling at the exchange rate ruling at that date.
 - vi. Movement in the fair value of derivatives relates to the change in fair value of forward foreign exchange contracts which have been used to minimise foreign currency risk in the investment portfolio. See Note 15 for more details.

(b) Foreign currency translation

For the Company and those subsidiaries and associates whose balance sheets are denominated in sterling, which is the Company’s functional and presentational currency, monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are translated into sterling at the closing rates of exchange at the balance sheet date. Foreign currency transactions are translated into sterling at the average rates of exchange over the year and exchange differences arising are taken to profit or loss.

The statements of financial position of subsidiaries, which are not held at fair value, denominated in foreign currencies are translated into sterling at the closing rates. The statements of comprehensive income for these subsidiaries and associates are translated at the average rates and exchange differences arising are taken to other comprehensive income. Such exchange differences are reclassified to profit or loss in the period in which the subsidiary or associate is disposed of.

(c) Treasury assets and liabilities

Short-term treasury assets, and short and long-term treasury liabilities are used in order to manage cash flows.

Cash and cash equivalents comprise cash at bank and amounts held in money market funds which are readily convertible into cash and there is an insignificant risk of changes in value. Financial assets and liabilities are recognised in the balance sheet when the relevant Group entity becomes a party to the contractual provisions of the instrument. Derecognition occurs when rights to cash flows from a financial asset expire, or when a liability is extinguished.

Notes to the accounts

1 Segmental analysis

Operating segments are the components of the Group whose results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The Chief Executive, who is considered to be the chief operating decision maker, managed the Group on the basis of business divisions determined with reference to market focus, investment funding model and the Group's management hierarchy. A description of the activities, including returns generated by these divisions and the allocation of resources, is given in the Strategic report. To aid the readers' understanding we have split out Action, Private Equity's largest asset, into a separate column. Action is not regarded as a reported segment as the chief operating decision maker reviews performance, makes decisions and allocates resources to the Private Equity segment, which includes Action.

The segmental information that follows is presented on the basis used by the Chief Executive to monitor the performance of the Group. The reported segments are Private Equity, Infrastructure and Scandlines. Group performance is not monitored by the chief operating decision maker on a geographical or sector basis and, as such, these are not considered reportable segments.

The segmental analysis is prepared on the Investment basis. The Investment basis is an APM and we believe it provides a more understandable view of performance. For more information on the Investment basis and a reconciliation between the Investment basis and IFRS, see pages 88 to 92.

Investment basis	2026 Private Equity £m	2026 Of which Action £m	2026 Infrastructure £m	2026 Scandlines £m	2026 Total ³ £m	2025 Private Equity £m	2025 Of which Action £m	2025 Infrastructure £m	2025 Scandlines £m	2025 Total ³ £m
Year to 31 March										
Realised profits over value on the disposal of investments	89	–	–	–	89	50	–	1	–	51
Unrealised profits on the revaluation of investments	4,080	3,544	65	21	4,166	4,803	4,324	17	19	4,839
Portfolio income										
Dividends	281	246	40	21	342	450	433	37	22	509
Interest income from investment portfolio	43	–	12	–	55	69	–	12	–	81
Fees receivable	4	1	(1)	–	3	14	5	(4)	–	10
Foreign exchange on investments	811	745	(10)	22	823	(340)	(255)	(11)	(10)	(361)
Movement in the fair value of derivatives	(5)	(26)	–	(9)	(14)	67	44	–	15	82
Gross investment return	5,303	4,510	106	55	5,464	5,113	4,551	52	46	5,211

Notes to the accounts continued

Investment basis	2026 Private Equity £m	2026 Of which Action £m	2026 Infrastructure £m	2026 Scandlines £m	2026 Total ³ £m	2025 Private Equity £m	2025 Of which Action £m	2025 Infrastructure £m	2025 Scandlines £m	2025 Total ³ £m
Year to 31 March										
Fees receivable from external funds	3		65	–	68	3		61	–	64
Operating expenses	(87)		(45)	(3)	(135)	(98)		(49)	(3)	(150)
Interest receivable					16					18
Interest payable					(65)					(65)
Exchange movements					(23)					20
Other expense					(1)					–
Operating profit before carried interest					5,324					5,098
Carried interest										
Carried interest and performance fees receivable	1	–	22	–	23	–	–	29	–	29
Carried interest and performance fees payable	(47)	–	1	–	(46)	(70)	–	(11)	–	(81)
Operating profit before tax					5,301					5,046
Tax credit/(charge)					1					(1)
Profit for the year					5,302					5,045
Other comprehensive income										
Re-measurements of defined benefit plans					2					4
Total return					5,304					5,049
Realisations ¹	1,502	944	15	–	1,517	1,827	1,164	10	–	1,837
Investment										
Cash investment	(903)	(827)	(4)	–	(907)	(1,177)	(768)	(4)	(1)	(1,182)
Non-cash investment	(1,739)	(1,739)	–	–	(1,739)	–	–	–	–	–
Total investment	(2,642)	(2,566)	(4)	–	(2,646)	(1,177)	(768)	(4)	(1)	(1,182)
Net realisations/(investment)	(1,140)	(1,622)	11	–	(1,129)	650	396	6	(1)	655
Balance sheet										
Opening portfolio value at 1 April	23,558	17,831	1,492	529	25,579	19,629	14,158	1,488	519	21,636
Additions ²	2,751	2,566	4	–	2,755	1,318	768	4	1	1,323
Value disposed	(1,414)	(944)	(15)	–	(1,429)	(1,777)	(1,164)	(9)	–	(1,786)
Unrealised value movement	4,080	3,544	65	21	4,166	4,803	4,324	17	19	4,839
Foreign exchange and other movements	732	746	(3)	21	750	(415)	(255)	(8)	(10)	(433)
Closing portfolio value	29,707	23,743	1,543	571	31,821	23,558	17,831	1,492	529	25,579

1 Realised proceeds may differ from cash proceeds due to timing of cash receipts. In the prior year, Private Equity recognised £1,827 million of realised proceeds, of which £1 million related to withholding tax.

2 Includes cash investment, non-cash investment and capitalised interest. In addition, £5 million of cash proceeds were received, which had been recognised as realised proceeds in FY2024.

3 The total is the sum of Private Equity, Infrastructure and Scandlines, "Of which Action" is part of Private Equity.

Interest receivable, interest payable, exchange movements (excluding foreign exchange on investments), the tax charge and re-measurements of defined benefit plans are not managed by segment by the chief operating decision maker and therefore have not been allocated to a specific segment.

Notes to the accounts continued

2 Realised profits over value on the disposal of investments

	2026 Unquoted investments £m	Total £m
Realisations	853	853
Valuation of disposed investments	(832)	(832)
	21	21
Of which:		
– profits recognised on realisations	22	22
– losses recognised on realisations	(1)	(1)
	21	21

	2025 Unquoted investments £m	Total £m
Realisations	1,107	1,107
Valuation of disposed investments	(1,102)	(1,102)
	5	5
Of which:		
– profits recognised on realisations	6	6
– losses recognised on realisations	(1)	(1)
	5	5

3 Unrealised profits on the revaluation of investments

	2026 Unquoted investments £m	2026 Quoted investments £m	Total £m
Movement in the fair value of investments	2,955	41	2,996
Of which:			
– unrealised profits	2,997	41	3,038
– unrealised losses	(42)	–	(42)
	2,955	41	2,996

	2025 Unquoted investments £m	2025 Quoted investments £m	Total £m
Movement in the fair value of investments	3,835	(23)	3,812
Of which:			
– unrealised profits	3,881	–	3,881
– unrealised losses	(46)	(23)	(69)
	3,835	(23)	3,812

Notes to the accounts continued

4 Revenue

Accounting policy:

The following items from the Consolidated statement of comprehensive income fall within the scope of IFRS 15:

Fees receivable are earned for providing services to 3i's portfolio companies, which predominantly fall into one of two categories:

1. Negotiation and other transaction fees are earned for providing services relating to a specific transaction, such as when a portfolio company is bought, sold or refinanced. These fees are generally of a fixed nature and the revenue is recognised in full at the point of transaction completion.
2. Monitoring and other ongoing service fees are earned for providing a range of services to a portfolio company over a period of time. These fees are generally of a fixed nature and the revenue is recognised evenly over the period, in line with the services provided.

Fees receivable from external funds are earned for providing management and advisory services to a variety of fund partnerships and other entities. Fees are typically calculated as a percentage of the cost or value of the assets managed during the year and are paid quarterly, based on the assets under management at that date. The revenue is recognised evenly over the period, in line with the services provided.

Carried interest and performance fees receivable are earned from funds which the Group manages on behalf of third parties. These profits are earned when the funds meet certain performance conditions and are paid by the fund when these conditions have been met on a cash basis.

Items from the Consolidated statement of comprehensive income which fall within the scope of IFRS 15 are included in the table below:

	Private Equity £m	Infrastructure £m	Total £m
Year to 31 March 2026			
Revenue by type			
Fees receivable ¹	6	–	6
Fees receivable from external funds	3	65	68
Carried interest and performance fees receivable	1	22	23
Total	10	87	97
Year to 31 March 2025			
Revenue by type			
Fees receivable ¹	16	(3)	13
Fees receivable from external funds	3	61	64
Carried interest and performance fees receivable	–	29	29
Total	19	87	106

¹ Fees receivable above are different to the Investment basis figures included in Note 1. This is due to the fact that Note 1 is disclosed on the Investment basis and the table above is shown on the IFRS basis. For an explanation of the Investment basis and a reconciliation between Investment basis and IFRS basis see pages 88 to 92.

Notes to the accounts continued

5 Operating expenses

Operating expenses of £134 million (2025: 149 million) recognised in the IFRS Consolidated statement of comprehensive income, includes employee costs, office costs, travel and marketing costs and other professional fees including audit fees detailed in Note 6.

The table below details employee costs and is prepared in accordance with Companies Act requirements, which is consistent with both the IFRS and the Investment basis. For more detail on staff costs for Directors refer to the disclosures labelled as audited included in the Directors' remuneration report on pages 146 to 169.

	2026 £m	2025 £m
Wages and salaries	58	71
Social security costs	13	17
Share-based payment costs (Note 24) ¹	14	12
Pension costs	4	4
Total employee costs	89	104

1 Equity-settled share awards.

Wages and salaries and social security costs have decreased due to a lower share-based payment charge for cash-settled awards. The average number of full-time equivalent employees during the year was 216 (2025: 226), of which 142 (2025: 146) were employed in the UK.

Including expenses incurred in the entities accounted for as investment entity subsidiaries of £1 million (2025: £1 million), the Group's total operating expenses on the Investment basis for the year were £135 million (2025: £150 million).

6 Information regarding the Group's Auditor

During the year, the Group received the following services from its External auditor, KPMG LLP. The table below is prepared in accordance with Companies Act requirements, which is consistent with both the IFRS and the Investment basis.

	2026 £m	2025 £m
Audit services		
Statutory audit – Company	1.8	1.8
– UK subsidiaries	0.7	0.7
– Overseas subsidiaries	0.4	0.4
Total audit services	2.9	2.9
Non-audit services		
Other assurance services	0.4	0.4
Total audit and non-audit services	3.3	3.3

Notes to the accounts continued

7 Tax

Accounting policy:

Tax represents the sum of the tax currently payable, withholding taxes suffered and deferred tax. Tax is charged or credited in the Consolidated statement of comprehensive income, except where it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity. The tax currently payable is based on the taxable profit for the year. This may differ from the profit included in the Consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The affairs of the Group's parent company are directed so as to allow it to meet the requisite conditions to continue to operate as an approved investment trust company for UK tax purposes. An approved investment trust company is a UK investment company which is required to meet certain conditions set out in the UK tax rules to obtain and maintain its tax status. This approval allows certain investment profits of the Company, broadly its capital profits, to be exempt from tax.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The deferred tax assets and liabilities have been calculated using the corporation tax rate in the UK of 25% (2025: 25%).

IFRIC 23 has been applied to the recognition and measurement of uncertain tax provisions held at the year end. There were no material uncertain tax positions arising during the year or at the year end.

The Group is within the scope of the OECD Pillar 2 model rules. Under the Pillar 2 legislation, the Group is liable to pay a top-up tax in the UK for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group's key business operations are not based in low tax jurisdictions and the application of the Pillar 2 rules is not anticipated to have a material impact on the Group.

	2026 £m	2025 £m
Current year: UK subsidiaries	–	1
Current year: Overseas subsidiaries	1	1
Prior year: UK subsidiaries	(2)	(1)
Prior year: Overseas subsidiaries	–	–
Total income tax (credit)/charge in the Consolidated statement of comprehensive income	(1)	1

Reconciliation of tax in the Consolidated statement of comprehensive income

The tax credit for the year is different to the standard rate of corporation tax in the UK, currently 25% (2025: 25%), and the differences are explained below:

	2026 £m	2025 £m
Profit before tax	5,293	5,039
Profit before tax multiplied by rate of corporation tax in the UK of 25% (2025: 25%)	1,323	1,260
Effects of:		
Non-taxable capital profits due to UK-approved investment trust company status	(1,250)	(1,139)
Non-taxable dividend income	(77)	(122)
	(4)	(1)
Other differences between accounting and tax profits:		
Permanent differences – non-deductible items	7	2
Temporary differences on which deferred tax is not recognised	(19)	(6)
Overseas countries' taxes	1	1
Tax losses carried forward on which deferred tax not recognised	16	6
Prior year tax credits	(2)	(1)
Total income tax (credit)/charge in the Consolidated statement of comprehensive income	(1)	1

The deferred income tax liability at 31 March 2026 is £1 million (31 March 2025: £1 million). This is disclosed with Note 16 Trade and other payables.

At 31 March 2026, the Group had carried forward tax losses of £1,472 million (31 March 2025: £1,382 million), capital losses of £77 million (31 March 2025: £77 million) and other deductible temporary differences of £44 million (31 March 2025: £82 million). With uncertainty that the Group will generate sufficient or relevant taxable profits not covered by the Investment Trust exemption in the foreseeable future to utilise these amounts, no deferred tax asset has been recognised in respect of these losses. Deferred tax assets and liabilities have been calculated using the corporation tax rate in the UK of 25% (2025: 25%).

In addition, the Group has long-standing carried forward tax losses of £179 million (31 March 2025: £181 million) and other deductible temporary differences of nil (31 March 2025: £2 million) in overseas territories, being Germany, US, France and Luxembourg, disclosed and agreed with local tax authorities, for which no deferred asset has been recognised.

Notes to the accounts continued

8 Per share information

The calculation of basic net assets per share is based on the net assets and the number of shares in issue at the year end. When calculating the diluted net assets per share, the number of shares in issue is adjusted for the effect of all dilutive share awards. Dilutive share awards are equity awards with performance conditions attached, see Note 24 Share-based payments for further details.

	2026	2025
Net assets per share (£)		
Basic	30.34	25.49
Diluted	30.30	25.42
Net assets (£m)		
Net assets attributable to equity holders of the Company	30,887	24,611

	2026	2025
Number of shares in issue		
Ordinary shares	1,024,702,777	973,398,978
Own shares	(6,813,218)	(7,979,305)
	1,017,889,559	965,419,673
Effect of dilutive potential ordinary shares		
Share awards	1,475,671	2,665,677
Diluted shares	1,019,365,230	968,085,350

Further details on movements in ordinary shares and own shares are provided in Notes 17 and 18 respectively.

The calculation of basic earnings per share is based on the profit attributable to shareholders and the weighted average number of shares in issue. The weighted average shares in issue for the year to 31 March 2026 are 981,517,180 (2025: 965,214,237). When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effect of all dilutive share awards. The diluted weighted average shares in issue for the year to 31 March 2026 are 982,927,508 (2025: 967,799,507).

	2026	2025
Earnings per share (pence)		
Basic	539.4	522.0
Diluted	538.6	520.6
Earnings (£m)		
Profit for the year attributable to equity holders of the Company	5,294	5,038

9 Dividends

	2026 pence per share	2026 £m	2025 pence per share	2025 £m
Declared and paid during the year				
Ordinary shares				
Second dividend	42.50	408	34.50	332
First dividend	36.50	357	30.50	293
	79.00	765	65.00	625
Proposed dividend	48.00	484	42.50	408

The Group introduced a simplified dividend policy in May 2018. In accordance with this policy, subject to maintaining a conservative balance sheet approach, the Group aims to maintain or grow the dividend each year. The first dividend has been set at 50% of the prior year's total dividend.

The dividend can be paid out of either the capital reserve or the revenue reserve subject to the investment trust rules, see Note 17 and the statement of changes in equity for details of reserves.

The distributable reserves of the Company are £11,234 million (31 March 2025: £10,488 million) and the Board reviews the distributable reserves bi-annually, including consideration of any material changes since the most recent audited accounts, ahead of proposing any dividend. The Board also reviews the proposed dividends in the context of the requirements of being an approved investment trust. Shareholders are given the opportunity to approve the total dividend for the year at the Company's Annual General Meeting. Details of the Group's continuing viability and going concern can be found in the Risk management section.

Notes to the accounts continued

10 Investment portfolio

Accounting policy:

Investments are recognised and derecognised on the date when their purchase or sale is subject to a relevant contract and the associated risks and rewards have been transferred. The Group manages its investments with a view to profiting from the receipt of investment income and capital appreciation from changes in the fair value of investments.

All investments are initially recognised at the fair value of the consideration given and are subsequently measured at fair value, in accordance with the Group's valuation policies.

Quoted investments are accounted for at fair value through profit and loss. Fair value is measured using the closing bid price at the reporting date, where the investment is quoted on an active stock market.

Unquoted investments, including both equity and loans, are accounted for at fair value through profit and loss. Fair value is determined in line with 3i's valuation policy, which is compliant with the fair value guidelines under IFRS and the International Private Equity and Venture Capital ("IPEV") Valuation Guidelines, details of which are available in "Valuations Committee report" on pages 141 to 145.

Quoted investments are classified as Level 1 and unquoted investments are classified as Level 3 in the fair value hierarchy. See Note 12 for details.

Interest bearing loans accrue interest which is either settled in cash or capitalised on a regular basis and included as part of the principal loan balance. The capitalisation of accrued interest is treated as part of investment additions during the year. If the fair value of an investment is assessed to be below the principal value of the loan the Group recognises a fair value reduction against any interest income accrued from the date of the assessment going forward. "Capitalisation at nil value" is the term used to describe the capitalisation of accrued interest which has been fully provided for. These transactions are disclosed as additions to portfolio cost with an equal reduction made where loan notes have nil value.

In accordance with IFRS 10, the proportion of the investment portfolio held by the Group's unconsolidated subsidiaries is presented as part of the fair value of investment entity subsidiaries, along with the fair value of their other assets and liabilities.

A reconciliation of the fair value of Investments in investment entities is included in Note 11.

3i's investment portfolio is made up of longer-term investments, with average holding periods greater than one year, and thus is classified as non-current.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening fair value	18,356	15,072	18,356	15,072
Additions	92	819	92	819
– of which loan notes with nil value	(14)	(9)	(14)	(9)
Disposals, repayments and write-offs ¹	(1,136)	(1,102)	(1,136)	(1,102)
Fair value movement ²	2,996	3,812	2,996	3,812
Other movements ³	656	(236)	656	(236)
Closing fair value	20,950	18,356	20,950	18,356
Quoted investments	897	856	897	856
Unquoted investments	20,053	17,500	20,053	17,500
Closing fair value	20,950	18,356	20,950	18,356

1 Disposals, repayments and write-offs includes the transfer of £304 million related to Action. See Note 11 for further details.

2 All fair value movements relate to assets held at the end of the year and are recognised in unrealised profits on the revaluation of investments.

3 Other movements include the impact of foreign exchange and accrued interest.

The table below reconciles between purchase of investments in the cash flow statement and additions as disclosed in the table above. In the year to 31 March 2025 the transfer of portfolio investments from and to investment entity subsidiaries represents the overall investment into Action.

	2026 £m	2025 £m
Purchase of investments	68	150
Transfer of portfolio investments from investment entity subsidiaries ¹	–	1,371
Transfer of portfolio investments to investment entity subsidiaries ²	–	(730)
Investment	68	791
Capitalised interest received by way of loan notes	24	28
Additions	92	819

1 The comparative figure relates to Action. See Note 11 for further details.

2 The comparative includes £593 million related to Action. See Note 11 for further details.

Included within profit or loss is £23 million (2025: £29 million) of interest income. Interest income included £10 million (2025: £18 million) of accrued income capitalised during the year, £6 million (2025: £6 million) of cash income and £7 million (2025: £5 million) of accrued income remaining uncapitalised at the year end.

Notes to the accounts continued

11 Investments in investment entity subsidiaries

Accounting policy:

Investments in investment entity subsidiaries are accounted for as financial instruments at fair value through profit and loss in accordance with IFRS 9.

These entities are typically limited partnerships and other intermediate investment holding structures which hold the Group's interests in investments in portfolio companies. The fair value can increase or decrease from either amounts paid to or received from the investment entity subsidiaries or valuation movements in line with the Group's valuation policy.

Substantially all of these entities meet the definition of a Fund under the IPEV guidelines and the fair value of these entities is their net asset value.

We consider the net asset value of investment entity subsidiaries to be the most appropriate to determine fair value. At each reporting period, we consider whether any additional fair value adjustments need to be made to the net asset value of the investment entity subsidiaries. These adjustments may be required to reflect market participants' considerations about fair value that may include, but are not limited to, liquidity and the portfolio effect of holding multiple investments within the investment entity subsidiary. There was no particular circumstance to indicate that a fair value adjustment was required (31 March 2025: no adjustment required) and, after due consideration, we concluded that the net asset values were the most appropriate reflection of fair value at 31 March 2026. Transfer of portfolio investments from investment entity subsidiaries includes the transfer of investment portfolio between investment entity subsidiaries and the Company at fair value. The consideration for these transfers can either be cash or intra-group receivables.

Level 3 fair value reconciliation – investments in investment entity subsidiaries

	Group 2026 £m	Group 2025 £m
Non-current		
Opening fair value	6,916	5,804
Amounts paid to investment entity subsidiaries	1,072	1,537
Amounts received from investment entity subsidiaries	(972)	(865)
Fair value movements on investment entity subsidiaries	1,565	953
Transfer of portfolio investments from investment entity subsidiaries	–	(1,371)
Transfer of portfolio investments to investment entity subsidiaries	304	730
Transfer of assets to investment entity subsidiaries	1,759	59
Exchange movements	(109)	69
Closing fair value	10,535	6,916

There were no transfers of portfolio investments from investment entity subsidiaries during the year, during the year to 31 March 2025, the Company received a transfer of portfolio investments of £1,371 million from partnerships which are classified as investment entity subsidiaries, all of which related to Action. During the year to 31 March 2026, the Company transferred investment portfolio of £304 million (31 March 2025: £730 million) to partnerships which are classified as investment entity subsidiaries of which £304 million (31 March 2025: £593 million) related to Action. Transfer of assets to investment entity subsidiaries for the year to 31 March 2026 includes the £1,739 million non-cash consideration of shares issued to partnerships which are classified as investment entity subsidiaries which related to Action. See Note 17 for details.

Restrictions

3i Group plc, the ultimate parent company, receives dividend income from its subsidiaries. There is £18 million (31 March 2025: none) of restricted held in investment entity subsidiaries relating to carried interest and performance fees payable.

Support

3i Group plc continues to provide, where necessary, ongoing support to its investment entity subsidiaries for the purchase of portfolio investments. The Group's current commitments are disclosed in Note 20.

Notes to the accounts continued

12 Fair values of assets and liabilities

Accounting policy:

Financial instruments are initially classified at either amortised cost or fair value through profit or loss. Financial instruments classified at fair value through profit or loss are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in profit or loss in the Statement of comprehensive income. Financial instruments classified at amortised cost are subsequently measured at amortised cost using the effective interest method with interest income or expense and foreign exchange gains and losses recognised in profit or loss in the Statement of comprehensive income.

(A) Classification

The following tables analyse the Group's assets and liabilities in accordance with the categories of financial instruments in IFRS 9:

	Group 2026 Classified at fair value through profit and loss	Group 2026 Other financial instruments at amortised cost	Group 2026 Total £m	Group 2025 Classified at fair value through profit and loss	Group 2025 Other financial instruments at amortised cost	Group 2025 Total £m
Assets						
Quoted investments	897	–	897	856	–	856
Unquoted investments	20,053	–	20,053	17,500	–	17,500
Investments in investment entities	10,535	–	10,535	6,916	–	6,916
Other financial assets ¹	65	93	158	155	91	246
Total	31,550	93	31,643	25,427	91	25,518
Liabilities						
Loans and borrowings	–	1,211	1,211	–	1,194	1,194
Other financial liabilities ¹	22	201	223	4	225	229
Total	22	1,412	1,434	4	1,419	1,423
	Company 2026 Classified at fair value through profit and loss	Company 2026 Other financial instruments at amortised cost	Company 2026 Total £m	Company 2025 Classified at fair value through profit and loss	Company 2025 Other financial instruments at amortised cost	Company 2025 Total £m
Assets						
Quoted investments	897	–	897	856	–	856
Unquoted investments	20,053	–	20,053	17,500	–	17,500
Other financial assets ¹	53	28	81	143	18	161
Total	21,003	28	21,031	18,499	18	18,517
Liabilities						
Loans and borrowings	–	1,211	1,211	–	1,194	1,194
Other financial liabilities ¹	22	62	84	4	75	79
Total	22	1,273	1,295	4	1,269	1,273

Within the Company, Interests in Group entities of £10,231 million (31 March 2025: £6,642 million) includes £9,967 million (31 March 2025: £6,385 million) held at fair value and £264 million (31 March 2025: £257 million) held at cost less impairment.

¹ Other financial assets include other non-current and current assets, derivative financial instruments, and carried interest and performance fees receivable. Other financial liabilities include non-current and current trade and other payables, carried interest and performance fees payable, derivative financial instruments and lease liabilities.

Notes to the accounts continued

12 Fair values of assets and liabilities continued

(B) Valuation

The fair values of the Group's financial assets and liabilities not held at fair value, are not materially different from their carrying values, with the exception of loans and borrowings. The fair value of the loans and borrowings is £1,135 million (31 March 2025: £1,115 million), determined with reference to their published market prices. The carrying value of the loans and borrowings is £1,211 million (31 March 2025: £1,194 million) and accrued interest payable (included within trade and other payables) is £29 million (31 March 2025: £29 million).

Valuation hierarchy

The Group classifies financial instruments measured at fair value according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	Quoted equity instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (ie as prices) or indirectly (ie derived from prices)	Derivative financial instruments
Level 3	Inputs that are not based on observable market data	Unquoted investments

Unquoted equity instruments and debt instruments are measured in accordance with the IPEV Guidelines with reference to the most appropriate information available at the time of measurement. Further information regarding the valuation of unquoted equity instruments can be found on page 201.

The table below shows the classification of financial instruments held at fair value into the valuation hierarchy at 31 March 2026:

	Group 2026 Level 1 £m	Group 2026 Level 2 £m	Group 2026 Level 3 £m	Group 2026 Total £m	Group 2025 Level 1 £m	Group 2025 Level 2 £m	Group 2025 Level 3 £m	Group 2025 Total £m
Assets								
Quoted investments	897	–	–	897	856	–	–	856
Unquoted investments	–	–	20,053	20,053	–	–	17,500	17,500
Investments in investment entity subsidiaries	–	–	10,535	10,535	–	–	6,916	6,916
Other financial assets	–	52	13	65	–	137	18	155
Liabilities								
Other financial liabilities	–	(22)	–	(22)	–	(4)	–	(4)
Total	897	30	30,601	31,528	856	133	24,434	25,423

Notes to the accounts continued

12 Fair values of assets and liabilities continued

We determine that, in the ordinary course of business, the net asset value of an investment entity subsidiary is considered to be the most appropriate to determine fair value. The underlying portfolio is valued under the same methodology as directly held investments, with any other assets or liabilities within investment entity subsidiaries fair valued in accordance with the Group's accounting policies. Note 11 details the Directors' considerations about the fair value of the underlying investment entity subsidiaries.

Movements in the directly held investment portfolio categorised as Level 3 during the year are set out in the table below:

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening fair value	17,500	14,193	17,500	14,193
Additions ¹	92	819	92	819
– of which loan notes with nil value	(14)	(9)	(14)	(9)
Disposals, repayments and write-offs	(1,136)	(1,102)	(1,136)	(1,102)
Fair value movement ²	2,955	3,835	2,955	3,835
Other movements ³	656	(236)	656	(236)
Closing fair value	20,053	17,500	20,053	17,500

1 The table in Note 10 reconciles additions.

2 All fair value movements relate to assets held at the end of the year and are recognised in unrealised profits on the revaluation of investments.

3 Other movements include the impact of foreign exchange and accrued interest.

Unquoted investments valued using Level 3 inputs also had the following impact on profit and loss: realised profits over value on disposal of investments of £21 million (2025: £5 million), dividend income of £220 million (2025: £380 million) and foreign exchange gains of £644 million (2025: £245 million loss).

Assets move between Level 1 and Level 3 when an unquoted equity investment lists on a quoted market exchange. There were no transfers into or out of Level 3 during the year. In the 12 months to 31 March 2026, three assets changed valuation basis within Level 3. Two moved from valuations based on the price of recent investments to earnings-based valuations, while one asset moved from an earnings-based valuation to an other basis. Action remains unchanged on an earnings-basis. The changes in valuation methodology in the period reflect our view of the most appropriate method to determine the fair value of these assets at 31 March 2026. Further information can be found in the Private Equity and Infrastructure sections of the Business and Financial reviews starting on page 25.

The table on the next page summarises the various valuation methodologies used by the Group to fair value Level 3 instruments, the inputs and the sensitivities applied and the impact of those sensitivities to the unobservable inputs. Against ongoing geopolitical uncertainty, and a subdued macroeconomic backdrop across Europe and North America, our portfolio has performed resiliently, with a number of standout performers. The performance against the wider market has been an important consideration in our portfolio valuations at 31 March 2026. This included an assessment of, the maintainability of earnings, taking into account both historical performance through prior periods of volatility and forecasted performance. While the market is monitored closely, our valuations apply a long-term, through-the-cycle view on multiple, with market-driven changes reflected where movements are sustained. For assets with a higher level of judgements, valuation triangulations are performed, to support the valuation applied.

As part of our case-by-case review of our portfolio companies the risks and opportunities from climate change are an important consideration in the overall discussion on fair value and where relevant and possible, we embed certain climate-related considerations in the valuations. These risks are adequately captured in the multiple sensitivity. All numbers in the table on the next page are on an Investment basis.

Notes to the accounts continued

12 Fair values of assets and liabilities continued

Level 3 unquoted investments

Methodology	Description	Fair value at 31 March 2026 £m	Sensitivity on key unobservable input	Fair value impact of sensitivities £m
Earnings	<p>Used for investments which are typically profitable and for which we can determine a set of listed companies and precedent transactions, where relevant, with similar characteristics.</p> <p>Earnings multiples are applied to the earnings of the Company to determine the enterprise value</p> <p>Earnings multiples: When selecting earnings multiples, we consider:</p> <p>(1) Comparable listed companies current performance and through-the-cycle averages</p> <p>(2) Relevant market transaction multiples</p> <p>(3) Company performance, organic growth and value-accretive add-ons, if any</p> <p>(4) Exit expectations and other company-specific factors</p> <p>The post-discount multiple ranges from 6.2x to 19.0x (2025: 4.7x to 19.0x)</p> <p>Earnings: Reported earnings are adjusted for non-recurring items, such as restructuring expenses, for significant corporate actions and, in exceptional cases, adjustments to arrive at maintainable earnings. The most common measure is EBITDA. Earnings are usually obtained from portfolio company management accounts to the preceding quarter end, with reference also to forecast earnings and the maintainable view of earnings.</p> <p>Action: Valued using run-rate earnings. A run-rate adjustment, applied to adjusted EBITDA, reflects two years of accelerated ramp-up following the opening of new stores. At 31 March 2026, Action's valuation earnings were €2,653 million (see page 29), of which LTM EBITDA was €2,428 million.</p> <p>As our largest asset, we have disclosed an additional sensitivity to Action's most significant unobservable input, its valuation multiple.</p>	<p>29,261 (2025: 22,978)</p>	<p>A 5% increase to the earnings multiple (sensitivity includes Action)</p> <p>A 1.0x increase to the net valuation multiple of 18.5x</p>	<p>1,731 (2025: 1,361)</p> <p>1,513 (2025: 1,129)</p>
Discounted cash flow	<p>Appropriate for businesses with long-term stable cash flows, typically in Infrastructure or, alternatively, businesses where a DCF is more appropriate in the short term.</p> <p>Long-term cash flows are discounted at a rate which is benchmarked against market data, where possible, or adjusted from the rate at the initial investment based on changes in the risk profile of the investment</p> <p>The weighted average discount rate used in our DCF valuations is 12% (2025: 12%)</p>	<p>1,082 (2025: 1,044)</p>	<p>A 5% increase to the discount rate</p>	<p>(42) (2025: (44))</p>
NAV	<p>Used for investments in unlisted funds</p> <p>Based on the net asset value reported by the fund manager. The valuation of the underlying portfolio is consistent with IFRS</p>	<p>135 (2025: 121)</p>	<p>A 5% increase on closing NAV</p>	<p>7 (2025: 6)</p>
Price of recent investment	<p>Used for recent investments in unlisted companies</p> <p>Valued net of negotiation fees</p>	<p>— (2025: 216)</p>	<p>n/a</p>	<p>n/a</p>
Other	<p>Used where elements of a business are valued on different bases</p> <p>Values of separate elements prepared on or triangulated against one of the methodologies listed above</p>	<p>350 (2025: 304)</p>	<p>A 5% increase in the closing value</p>	<p>17 (2025: 15)</p>

Notes to the accounts continued

13 Carried interest and performance fees payable

Accounting policy:

The Group offers investment executives the opportunity to participate in the returns from investments subject to certain performance conditions. "Carried interest and performance fees payable" is the term used for amounts payable to executives on these investment-related transactions.

A variety of asset pooling arrangements are in place so that participants may have an interest in one or more carried interest plans and participants include current and former investment employees. Carried interest payable is accrued if its performance conditions, measured at the balance sheet date, would be achieved if the remaining assets in that plan were realised at fair value. An accrual is made equal to the participants' share of profits in excess of the performance conditions in place in the carried interest plan, discounted to reflect the likely actual cash payment date, which may be materially later than the time of the accrual.

Under IFRS 10, where carried interest payable reduces the fair value of an investment entity subsidiary, that movement is recorded through "Fair value movements on investment entity subsidiaries". At 31 March 2026, £373 million of carried interest payable was recognised in the Consolidated statement of financial position of these investment entity subsidiaries (31 March 2025: £319 million).

	Group 2026 £m	Group 2025 £m
Opening carried interest and performance fees payable	41	54
Carried interest and performance fees payable recognised in profit and loss during the year	5	14
Cash paid in the year	(14)	(23)
Other movements ¹	3	(4)
Closing carried interest and performance fees payable	35	41
Of which: payable in greater than one year	31	29

¹ Other movements include the impact of foreign exchange and equity-settled share based payments.

We no longer accrue carried interest and performance fees payable on Action, which is the largest asset in the Group's investment portfolio.

A 5% increase in the valuation of all individual assets in the underlying investment portfolio (excluding Action) held by investment entity subsidiaries would result in a £21 million increase in carried interest and performance fees payable (31 March 2025: £20 million).

A 5% decrease in the valuation of all individual assets in the underlying investment portfolio (excluding Action) held by investment entity subsidiaries would result in a £20 million decrease in carried interest and performance fees payable (31 March 2025: £20 million).

Notes to the accounts continued

14 Loans and borrowings

Accounting policy:

All loans and borrowings are initially recognised at the fair value of the consideration received. After initial recognition, these are subsequently measured at amortised cost using the effective interest method, which is the rate that exactly discounts the estimated future cash flows through the expected life of the liabilities. Financial liabilities are derecognised when they are extinguished.

	Group 2026 £m	Group 2025 £m
Loans and borrowings are repayable as follows:		
Within one year	–	–
Between the second and fifth year	436	419
After five years	775	775
	1,211	1,194

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities are classified as follows:

	Loans and borrowings 2026 £m	Lease liability 2026 £m	Loans and borrowings 2025 £m	Lease liability 2025 £m
Opening liability	1,194	45	1,202	49
Additions	–	8	–	–
Interest	–	2	–	2
Repayments	–	(5)	–	(6)
Exchange movements	17	–	(8)	–
Closing liability	1,211	50	1,194	45

Notes to the accounts continued

14 Loans and borrowings continued

Principal borrowings include:

	Rate	Maturity	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Fixed rate						
€500 million notes (public issue)	4.875%	2029	436	419	436	419
£375 million notes (public issue)	5.750%	2032	375	375	375	375
£400 million notes (public issue)	3.750%	2040	400	400	400	400
			1,211	1,194	1,211	1,194
Committed multi-currency facilities: Revolving Credit Facility (RCF)						
£1,200 million tranche		Euribor/SONIA/SOFR + 0.5%	2030	–	–	–
			1,211	1,194	1,211	1,194

During the year the Company increased the size of its committed multi-currency facility to £1,200 million (31 March 2025: £900 million). The syndicated multi-currency facility has no financial covenants.

All of the Group's borrowings are repayable in one instalment on the respective maturity dates. None of the Group's interest-bearing loans and borrowings are secured on the assets of the Group. The fair value of the loans and borrowings is £1,135 million (31 March 2025: £1,115 million), determined with reference to their published market prices. The interest payable for loans and borrowings recognised within profit and loss is £62 million (2025: £63 million) and the interest paid for loans and borrowings recognised within the Consolidated cash flow statement is £65 million (2025: £60 million).

In accordance with the FCA's Investment Funds sourcebook (FUNDS 3.2.2R and Fund 3.2.6R), 3i Investments plc, as AIFM of the Company, is required to calculate leverage and disclose this to investors. The leverage is calculated using the gross method and commitment method. Gross method calculates the overall exposure over the net asset value whereas the commitment method calculates the net exposure over the net asset value. Leverage at 31 March 2026 for the Group is 107% (31 March 2025: 110%) and the Company is 104% (31 March 2025: 107%) under both the gross method and the commitment method. The leverage for 3i Investments plc at 31 March 2026 is 100% (31 March 2025: 100%) under both the gross method and the commitment method.

Under the Securities Financing Transactions Regulation and the FCA's Investment Funds sourcebook (FUNDS 3.2.4A), 3i is required to disclose certain information relating to the use of securities financing transactions ("SFTs") and total return swaps. At 31 March 2026, 3i was not party to any transactions involving SFTs or total return swaps.

Notes to the accounts continued

15 Derivatives

Accounting policy:

Derivative financial instruments are accounted for at fair value through profit and loss in accordance with IFRS 9. They are revalued at the balance sheet date based on market prices, with any change in fair value being recorded in profit and loss. Derivatives are recognised in the Consolidated statement of financial position as a financial asset when their fair value is positive and as a financial liability when their fair value is negative. Derivative contracts are disclosed in the Consolidated statement of financial position as either current or non-current according to their maturity profile. The Group's derivative financial instruments are not designated as hedging instruments.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of comprehensive income				
Movement in the fair value of derivatives	(14)	82	(14)	82

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of financial position				
Non-current assets				
Forward foreign exchange contracts	10	46	10	46
Current assets				
Forward foreign exchange contracts	42	91	42	91
Non-current liabilities				
Forward foreign exchange contracts	(22)	(4)	(22)	(4)

The Group uses forward foreign exchange contracts to mitigate the effect of fluctuations arising from movements in exchange rates in the value of the Group's investments in euro and US dollar. As at 31 March 2026, the notional amount of these forward foreign exchange contracts held by the Company was €3.0 billion (31 March 2025: €2.6 billion) and \$1.2 billion (31 March 2025: \$1.2 billion).

16 Trade and other payables

Accounting policy:

Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which are considered to be payable in respect of goods or services received up to the balance sheet date. Financial liabilities are recognised at amortised cost in accordance with IFRS 9.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Trade and other payables	116	144	30	29
Amounts due to subsidiaries	–	–	32	46
Total trade and other payables	116	144	62	75
Of which: payable in greater than one year	9	9	–	–

In the year to 31 March 2025 deferred income taxes, provisions and income taxes were presented on their respective financial statement lines. In the table above these financial statement lines have been aggregated into trade and other payables.

Notes to the accounts continued

17 Issued capital and reserves

Accounting policy:

Ordinary shares issued by the Group are recognised at the proceeds or fair value received with the excess of the amount received over nominal value being credited to the share premium account. Direct issue costs net of tax are deducted from equity.

Capital reserve recognises all profits and losses that are capital in nature or have been allocated to capital, which include the accumulation of investment gains and losses as well as changes to the value of financial instruments measured at fair value through profit and loss.

Revenue reserve recognises all profits and losses that are revenue in nature or have been allocated to revenue and is the accumulation of revenue profits and losses.

Issued and fully paid	2026 Number	2026 £m	2025 Number	2025 £m
Ordinary shares of 73 ¹ / ₂ p				
Opening balance	973,398,978	719	973,366,445	719
Issued under employee share plans	33,715	–	32,533	–
Issued ordinary shares	51,270,084	38	–	–
Closing balance	1,024,702,777	757	973,398,978	719

The Company issued 33,715 ordinary shares to the Trustee of the 3i Group Share Incentive Plan for a total cash consideration of £1,234,881 at various prices from 2,327 pence to 4,445 pence per share (being the market prices on the issue dates which were the last trading day of each month in the year, with the exception of December 2025, when the issue date was 6 January 2026). These shares were ordinary shares with no additional rights attached to them and had a total nominal value of £24,903 and share premium of £1,209,978.

During the year to 31 March 2026 the Company issued 51,270,084 ordinary shares in exchange for approximately 5.1% of Action's equity from GIC, which represented an equivalent non-cash consideration of £1,739 million. These shares had a nominal value of £38 million and share premium of £1,701 million.

Total share premium for the year to 31 March 2026 is £2,494 million (31 March 2025: £792 million).

18 Own shares

Accounting policy:

Own shares are recorded by the Group when ordinary shares are acquired by the Company or by The 3i Group Employee Benefit Trust ("Trust"). Own shares are deducted from shareholders' equity. A transfer is made to retained earnings at their weighted average cost in line with the vesting of own shares held for the purposes of share-based payments. The number of own shares held by the Trust and the schemes are described in Note 24.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening cost	81	92	81	92
Additions	15	–	15	–
Awards granted	(18)	(11)	(18)	(11)
Closing cost	78	81	78	81

Holdings of 3i Group plc shares

The total number of 3i Group plc shares held in the Trust at 31 March 2026 was 7 million (31 March 2025: 8 million). Dividend rights have been waived on these shares. The total market value of the shares held in the Trust based on the year-end share price of 2,438 pence (31 March 2025: 3,616 pence) was £166 million (31 March 2025: £289 million). During the year to 31 March 2026 the Trust acquired 0.4 million shares (31 March 2025: none).

Notes to the accounts continued

19 Capital structure

The capital structure of the Group consists of shareholders' equity and net debt or cash. The type and maturity of the Group's borrowings are analysed further in Note 14. Capital is managed with the objective of maximising long-term return to shareholders, whilst maintaining a capital base to allow the Group to operate effectively in the market and sustain the future development of the business.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Cash and deposits	635	412	602	381
Borrowings and derivative financial liabilities	(1,233)	(1,198)	(1,233)	(1,198)
Net debt ¹	(598)	(786)	(631)	(817)
Total equity	30,887	24,611	30,569	24,267
Gearing (net debt/total equity)	2%	3%	2%	3%

1 The above numbers have been prepared under IFRS and differ from the Investment basis as detailed in the Strategic report.

Capital constraints

The Group is generally free to transfer capital from subsidiary undertakings to the parent company, subject to maintaining each subsidiary with sufficient reserves to meet local statutory/regulatory obligations. No significant constraints (other than those disclosed in Note 11) have been identified and the Group has been able to distribute profits as appropriate.

The Group has been subject to the FCA's MIFIDPRU sourcebook ("MIFIDPRU") since 1 January 2022. The regulatory capital requirements for the Group and 3i Investments plc, an investment firm regulated by the FCA, are calculated in accordance with MIFIDPRU 2.5, 4.3, 4.5 and 4.6. These capital requirements are reviewed regularly by the Group's Audit and Compliance Committee, and the Board of 3i Investments plc, respectively. In addition, 3i Investments plc prepares an Internal Capital and Risk Assessment ("ICARA"), which is approved by the Board of 3i Investments plc on an annual basis.

20 Commitments

Accounting policy:

Commitments represent amounts the Group has contractually committed to pay third parties but do not yet represent a charge or asset. This gives an indication of committed future cash flows. Commitments are recognised in the balance sheet at the point of settlement subject to associated risks and rewards being transferred. Commitments at the year-end do not impact the Group's financial results for the year.

At 31 March 2026, the Group and the Company had unquoted investment commitments of £6 million (31 March 2025: £7 million). All outstanding commitments at 31 March 2026 and 31 March 2025 were due within one year.

At 31 March 2026, the Group also had a commitment of £51 million (31 March 2025: £57 million) into partnerships which are classified as investment entity subsidiaries. All outstanding commitments at 31 March 2026 and 31 March 2025 were due within two and five years.

The amounts shown above include £57 million of commitments made by the Group and Company, to invest into funds (31 March 2025: £64 million). The Group and Company were contractually committed to these investments as at 31 March 2026.

21 Contingent liabilities

Accounting policy:

Contingent liabilities are potential liabilities where there is even greater uncertainty, which could include a dependency on events not within the Group's control, but where there is a possible obligation. Contingent liabilities are only disclosed and not included within the Consolidated statement of financial position.

At 31 March 2026, there was no (31 March 2025: no) material litigation outstanding, nor any other matter, against the Company or any of its subsidiary undertakings, which may indicate the existence of a contingent liability.

Notes to the accounts continued

22 Interests in Group entities

Accounting policy:

The Company has controlling equity interests in, and makes loans to, both consolidated and fair valued Group entities. Equity investments in, and loans to, investment entities are held at fair value in the Company's accounts, as this reflects the Group's business model to hold assets to seek returns on capital and not contractual cash flow. The net assets of these entities represent fair value. Equity investments in other subsidiaries are held at cost less impairment and any loans to these subsidiaries are held at amortised cost in accordance with IFRS 9, which includes the requirement to calculate expected credit losses on initial recognition.

Equity investments and loans are deemed longer-term in nature, with average holding periods greater than one year, and thus is classified as non-current.

	Company 2026 Equity investments £m	Company 2026 Loans £m	Company 2026 Total £m	Company 2025 Equity investments £m	Company 2025 Loans £m	Company 2025 Total £m
Opening book value	2,994	3,648	6,642	3,139	2,738	5,877
Additions	13	3,104	3,117	73	1,899	1,972
Share of profits from partnership entities	–	174	174	–	956	956
Disposals and repayments	–	(878)	(878)	(536)	(1,882)	(2,418)
Fair value movements	1,076	199	1,275	318	(122)	196
Exchange movements	–	(99)	(99)	–	59	59
Closing book value	4,083	6,148	10,231	2,994	3,648	6,642

Equity investments in, and loans to investment entities, are held at fair value and equity investments in other subsidiaries are held at cost less impairment. The measurements at fair value and cost less impairment are assessed against the Company's equity and loan instruments into these subsidiaries, which are eliminated on consolidation for the Group. For this reason equity investments and loans into investments entities and other subsidiaries do not form part of the investment portfolio for the Company and instead are included within Interests in Group entities.

Amounts for equity investments in, and loans to, investment entities held at fair value and other subsidiaries at amortised cost are detailed in Note 12. Details of significant Group entities are given in Note 27. No expected credit losses have been recognised on those equity investments and loans held at amortised cost as they are not material.

Notes to the accounts continued

23 Retirement benefits

Accounting policy:

Payments to defined contribution retirement benefit plans are charged to profit and loss as they fall due.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit method with actuarial valuations being carried out at each balance sheet date. Interest on the net defined benefit asset/liability, calculated using the discount rate used to measure the defined benefit obligation, is recognised in profit and loss. Re-measurement gains or losses are recognised in full as they arise in other comprehensive income.

A retirement benefit deficit is recognised in the Consolidated statement of financial position to the extent that the present value of the defined benefit obligations exceeds the fair value of plan assets.

A retirement benefit surplus is recognised in the Consolidated statement of financial position where the fair value of plan assets exceeds the present value of the defined benefit obligations limited to the extent that the Group can benefit from that surplus. Where the retirement benefit scheme is in surplus, this is recognised net, being the lower of any surplus in the fund and the asset ceiling.

(i) Defined contribution plans

The Group operates a number of defined contribution retirement benefit plans for qualifying employees throughout the Group. The assets of these plans are held separately from those of the Group. The total expense recognised, in operating expenses, in profit and loss is £3 million (2025: £3 million), which represents the contributions paid to these defined contribution plans. There were no outstanding payments due to these plans at the balance sheet date.

(ii) Defined benefit plans

The Group previously operated a final salary defined benefit plan for qualifying employees of its subsidiaries in the UK ("the Plan"). The Plan was approved by HMRC for tax purposes, operated separately from the Group and was governed by an independent set of Trustees, whose appointment and powers are determined by the Plan's documentation.

During the year to 31 March 2025, the Plan completed a buy-out meaning that the previously executed buy-in policies were converted into individual annuity policies held in each Plan member's name, thereby fully removing the defined benefit obligation from the Group. This led to the full settlement of the pension obligation.

The Trustees completed the wind-up of the Plan in March 2026. The remaining surplus assets were paid to the Group, net of associated tax liabilities settled by the Plan, the Group received £65 million.

Qualifying employees in Germany are entitled to a pension based on their length of service. The future liability calculated by German actuaries is £17 million (31 March 2025: £17 million). There is a £1 million expense (2025: £1 million) recognised in operating expenses, in profit and loss for the year and £1 million gain (2025: £2 million) in other comprehensive income for this scheme. Changes in the present value of the obligation, assumptions and sensitivities of this scheme have not been disclosed as they are not material.

The amount recognised in the Consolidated statement of financial position in respect of the Group's defined benefit plans is as follows:

	2026 £m	2025 £m
Fair value of the Plan assets	–	85
Asset restriction	–	(22)
Retirement benefit surplus in respect of the Plan	–	63
Retirement benefit deficit in respect of other defined benefit schemes	(17)	(17)

The total re-measurement gain recognised in other comprehensive income in respect of the Group's defined benefit plans was £2 million (2025: £4 million).

Notes to the accounts continued

24 Share-based payments

Accounting policy:

The Group has equity-settled and cash-settled share-based payment transactions with certain employees. Equity-settled schemes are measured at fair value at the date of grant, which is then recognised in profit or loss over the period that employees provide services, generally the period between the start of the performance period and the vesting date of the shares. The number of share awards expected to vest takes into account the likelihood that performance and service conditions included in the terms of the award will be met.

Fair value is measured by use of an appropriate model which takes into account the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the award and any other relevant factors. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of 3i Group plc. The charge is adjusted at each balance sheet date to reflect the actual number of forfeitures, cancellations and leavers during the year. The movement in cumulative charges since the previous balance sheet is recognised in profit and loss, with a corresponding entry in equity.

Liabilities arising from cash-settled share-based payment transactions are recognised in profit or loss over the vesting period. They are fair valued at each reporting date. The cost of cash-settled share-based payment transactions is adjusted for the forfeitures of the participants' rights that no longer meet the plan requirements as well as for early vesting.

The cost of the share-based payments is allocated either to operating expenses or carried interest depending on the original driver of the award. Executive Director Long-term Incentive Plans are allocated to operating expenses.

To ensure that employees' interests are aligned with shareholders, a significant amount of variable compensation paid to eligible employees is deferred into shares that vest over a number of years. For legal, regulatory or practical reasons certain participants may be granted cash-settled awards under these schemes, which are intended to replicate the financial effects of a share award without entitling the participant to acquire shares. The weighted average fair value grant price for cash-settled awards granted during the year was 4,062p (31 March 2025: 2,926p) and the reporting price for these awards at 31 March 2026 was 2,438 pence (31 March 2025: 3,616 pence). The carrying amount of liabilities arising from cash-settled awards at 31 March 2026 is £10 million (31 March 2025: £24 million). The total equity-settled share-based payment reserve at 31 March 2026 is £29 million (31 March 2025: £35 million).

The cost of the share-based payments is allocated either to operating expenses or carried interest depending on the original driver of the award. Executive Director Performance Share Awards are allocated to operating expenses. The total cost recognised in the Consolidated statement of comprehensive income for the year is £12 million (2025: £28 million) of which £14 million (2025: £12 million) is recognised on operating expenses and credited to equity.

Notes to the accounts continued

24 Share-based payments continued

Movements in share awards

The number of equity and cash-settled share-based awards outstanding as at 31 March is as follows:

	2026 Number	2025 Number
Outstanding at the start of the year	4,634,486	6,210,978
Granted	524,340	791,022
Released	(2,495,231)	(2,308,170)
Forfeited	(208,262)	(59,344)
Lapsed	–	–
Outstanding at the end of year	2,455,333	4,634,486
Weighted average remaining contractual life of awards outstanding in years	1.6	1.4
Weighted average fair value of awards granted (pence)	2,610	2,272
Weighted average market price at date of exercise (pence)	4,090	2,924

Measurement of fair values

The fair values of the plans have been measured using either the Monte Carlo model or Black Scholes model for equity share awards. The inputs used in the measurement of the grants are based on the following assumptions:

	Monte Carlo model		Black Scholes	
	2026	2025	2026	2025
Share price at grant date (pence) ¹	4,112	2,996	4,062	2,926
Fair value at grant date (pence) ¹	1,840	1,753	3,815	2,749
Exercise price (pence)	–	–	–	–
Expected volatility (weighted average)	24.1%	27.1%	27.3%	27.7%
Expected life (weighted average)	4 years	4 years	4 years	3 years
Dividend yield	–	–	1.8%	2.1%
Risk free interest rate	3.80%	4.25%	4.06%	4.08%

1 Where share awards are granted on multiple dates the average price is disclosed.

Expected volatility was determined by reviewing share price volatility for the expected life of each award up to the date of grant.

Details of the different types of awards are as follows:

Performance Share Awards

Performance Share Awards are granted to employees and Executive Directors under the 3i Group Discretionary Share Plan 2020.

Performance Share Awards granted to employees and Executive Directors after the financial year-end are subject to performance conditions based on absolute and relative Total Shareholder Return over three financial years. Awards performance vest, to the extent they satisfy the performance conditions, following the three-year performance period. These awards are measured using the Monte Carlo model. The model simulates the total shareholder return which has been incorporated into the fair value at the grant date by applying a discount to the valuation obtained.

Employee share awards are released, to the extent they have performance vested, in the third year from the date of grant together with a payment equal to the value of the dividends which would have been paid on the released shares during the period from grant to release. The method of settlement can either be equity or cash depending on the type of award. Executive Director awards are released, to the extent they have performance vested, in the fifth year from the date of grant together with a payment equal to the value of the dividends that would have been paid on the released shares during the period from grant to release. The method of settlement is equity.

The features of the Group's share schemes for Executive Directors are described in the Directors' remuneration report on pages 146 to 169.

Restricted Share Awards

Restricted Share Awards are granted under the 3i Group Deferred Bonus Plan 2020 (and predecessor rules) and are granted to employees and Executive Directors after the financial year-end and are subject to continued service conditions. The shares subject to the awards are transferred to the participants on grant subject to forfeiture if the service condition is not fulfilled and cease to be subject to forfeiture in equal proportions generally over the three years following grant or over four years in the case of certain such awards granted to members of the Executive Committee. Cash dividends are received by participants on the shares during the period in which they remain subject to forfeiture. The method of settlement can either be equity or cash depending on the type of award. The equity awards are measured using the Black Scholes model.

Notes to the accounts continued

25 Financial risk management

Introduction

A review of the Group's objectives, policies and processes for managing and monitoring risk is set out in the Risk management section on pages 94 to 104. This Note provides further detail on financial risk management, cross-referring to the Risk management section where applicable, and includes quantitative data on specific financial risks.

The Group is a highly selective investor and each investment is subject to an individual risk assessment through an investment approval process. The Group's Investment Committee is part of the overall risk management framework set out in the Risk section. The risk management processes of the Company are aligned with those of the Group and both the Group and the Company share the same financial risks.

Financial risks

Concentration risk

3i's investment process seeks to diversify risk through significant dispersion of investments by geography, economic sector, asset class and size as well as through the maturity profile of its investment portfolio. Although 3i does not set maximum limits for asset allocation, it does have a maximum exposure limit for the cost of new investments. This is detailed in the Investment policy on page 170 in the Governance section. Quantitative data regarding the concentration risk of the portfolio across business divisions can be found in the Segmental analysis in Note 1 and in the 15 large investments table on pages 232 and 233.

Action is the largest asset in the Group's investment portfolio. We first invested in Action in 2011 and throughout our investment have acquired further stakes in the business seeing strong organic growth over our hold period. A 5% increase or decrease in value would result in a £1,187 million (31 March 2025: £892 million) impact on the overall value. For further details on Action refer to the Action case study on pages 26 to 33.

Credit risk

The Group is subject to credit risk on its unquoted investments, derivatives, cash and deposits. The maximum exposure is the balance sheet amount. The Group's cash is held with a variety of counterparties with a minimum rating above A+ (2025: A-) with 94% of the Group's unrestricted surplus cash held on demand in AAA rated money market funds (31 March 2025: 91%). The counterparties selected for the derivative financial instruments were all banks with a minimum of a A- (2025: A-) credit rating with at least one major rating agency.

The credit quality of unquoted investments, which are held at fair value and include debt and equity elements, is based on the financial performance of the individual portfolio companies. The credit risk relating to these assets is based on their enterprise value and is reflected through fair value movements. Further detail can be found in the Price risk – market fluctuations disclosure in this Note and the sensitivity disclosure to changes in the valuation assumptions is provided in the valuation section of Note 12.

Liquidity risk

The liquidity outlook is monitored at least monthly by management and regularly by the Board in the context of periodic strategic reviews of the balance sheet. The new investment pipeline and forecast realisations are closely monitored and assessed against our vintage control policy, as described on page 94 of the Risk management section. The table below analyses the maturity of the Group's gross contractual liabilities. The Company disclosures are the same as those for the Group.

Financial liabilities

	Group 2026 Due within 1 year £m	Group 2026 Due between 1 and 2 years £m	Group 2026 Due between 2 and 5 years £m	Group 2026 Due more than 5 years £m	£m Total £m	Group 2025 Due within 1 year £m	Group 2025 Due between 1 and 2 years £m	Group 2025 Due between 2 and 5 years £m	Group 2025 Due more than 5 years £m	£m Total £m
Gross commitments:										
Fixed loan notes	58	58	588	960	1,664	56	56	591	998	1,701
Total	58	58	588	960	1,664	56	56	591	998	1,701

Notes to the accounts continued

25 Financial risk management continued

Market risk

The valuation of the Group's investment portfolio is largely dependent on the underlying trading performance of the companies within the portfolio, but the valuation and other items in the financial statements can also be affected by interest rate, currency and quoted market fluctuations. The Group's sensitivity to these items is set out below.

Interest rate risk

On the liability side, the direct impact of a movement in interest rates is limited to any drawings under the committed multi-currency facility as the Group's outstanding debt is fixed rate. The sensitivities below arise principally from changes in interest receivable on cash and deposits.

An increase of 100 basis points, based on the closing balance sheet position over a 12-month period, would lead to an approximate increase in total comprehensive income of £6 million (2025: £4 million) for the Group and £6 million (2025: £4 million) for the Company. In addition, the Group and Company have indirect exposure to interest rates through changes to the financial performance and the valuation of portfolio companies caused by interest rate fluctuations.

Currency risk

The Group's net assets in sterling, euro, US dollar, Danish krone and all other currencies combined are shown in the table below. This sensitivity analysis is performed based on the sensitivity of the Group's net assets to movements in foreign currency exchange rates assuming a 10% movement in exchange rates against sterling. The sensitivity of the Company to foreign exchange risk is not materially different from the Group.

The Group considers currency risk on specific investment and realisation transactions. Further information on how currency risk is managed is provided on page 104.

As at 31 March 2026	Sterling £m	Euro £m	US dollar £m	Danish krone £m	Other £m	Total £m
Net assets	5,267	24,180	1,223	182	35	30,887
Sensitivity analysis						
Assuming a 10% movement in exchange rates against sterling						
Impact on net assets	n/a	2,417	121	18	4	2,560

1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.

As at 31 March 2025	Sterling £m	Euro £m	US dollar £m	Danish krone £m	Other £m	Total £m
Net assets	4,942	18,257	1,211	177	24	24,611
Sensitivity analysis						
Assuming a 10% movement in exchange rates against sterling						
Impact on net assets	n/a	1,825	120	18	2	1,965

1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.

Notes to the accounts continued

25 Financial risk management continued

Price risk – market fluctuations

The Group's management of price risk, which arises primarily from quoted and unquoted equity instruments, is through the careful consideration of the investment, asset management and divestment decisions at the Investment Committee. The Investment Committee's role in risk management is detailed on page 94 in the Risk management section. A 5% change in the fair value of those investments is shown in the table below.

Group	Quoted investment £m	Unquoted investment £m	Investment in Investment entity subsidiaries	Total £m
As at 31 March 2026	45	1,003	527	1,575
As at 31 March 2025	43	875	346	1,264

Company	Quoted investment £m	Unquoted investment £m	Total £m
As at 31 March 2026	45	1,003	1,048
As at 31 March 2025	43	875	918

Notes to the accounts continued

26 Related parties and interests in other entities

The Group has various related parties stemming from relationships with limited partnerships managed by the Group, its investment portfolio (including unconsolidated subsidiaries), its advisory arrangements and its key management personnel. In addition, the Company has related parties in respect of its subsidiaries. Some of these subsidiaries are held at fair value (unconsolidated subsidiaries) due to the treatment prescribed in IFRS 10.

Related parties

Advisory and management arrangements

The Group acted as Investment Manager to 3iN, which is listed on the London Stock Exchange, for the year to 31 March 2026. The following amounts have been recognised in respect of the management relationship:

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of comprehensive income				
Unrealised profit/(loss) on the revaluation of investments	41	(23)	41	(23)
Fees receivable from external funds	54	51	–	–
Performance fees receivable	16	29	–	–
Dividends	35	33	35	33

Controlled investments

The Group makes investments in the equity of both unquoted and quoted investments which it controls. Control is obtained when the Group is exposed to, or has rights to variable returns and has the ability to use its power to affect these returns. When this occurs, the Group deems these investments to be an accounting subsidiaries under IFRS 10 and recognises them at fair value through profit or loss. Material transactions during the year with controlled investments include £944 million (2025: £1,164 million) of refinancing proceeds received from Action and £246 million (2025: £433 million) dividends received from Action.

Associates

The Group makes investments in the equity of both unquoted and quoted investments where it does not have control, but may be able to participate in the financial and operating policies of that company. IFRS presumes that it is possible to exert significant influence when the equity holding is greater than 20%. The Group has taken the investment entity exception, as permitted by IFRS 10, and has not equity accounted for these investments, in accordance with IAS 28, but they are related parties. There are no material transactions with associates in the year (2025: none).

Limited partnerships

The Group manages a number of external funds which invest through limited partnerships. Group companies act as the general partners of these limited partnerships and exert significant influence over them. There were no material transactions in respect of these limited partnerships in the year (2025: none).

Subsidiaries

The Group consists of the parent Company 3i Group plc and its subsidiaries listed in Note 27. All transactions between the Company and its fully consolidated subsidiaries, which are related parties of the Company, are eliminated on consolidation. Material related party transactions between the Company and its subsidiaries include drawdowns and distributions, subsidiary transfers and dividends.

During the year, the Company received £1,324 million from fellow subsidiaries (2025: £1,039 million) and paid £1,505 million to fellow subsidiaries (2025: £1,941 million).

The Company received dividends of £85 million (2025: £142 million) from fellow subsidiaries.

Key management personnel

The Group's key management personnel comprise the members of the Executive Committee and the Board's non-executive Directors. The following amounts have been included in respect of these individuals:

	Group 2026 £m	Group 2025 £m
Statement of comprehensive income		
Salaries, fees, supplements and benefits in kind	6	6
Cash bonuses	5	3
Carried interest and performance fees payable	2	4
Share-based payments	10	9
Termination payments	–	–

	Group 2026 £m	Group 2025 £m
Statement of financial position		
Bonuses and share-based payments	24	22
Carried interest and performance fees payable within one year	1	5
Carried interest and performance fees payable after one year	15	13

Notes to the accounts continued

26 Related parties and interests in other entities continued

No carried interest and performance fees payable is paid or accrued for the Executive or non-executive Directors, as they do not participate in these schemes. Carried interest and performance fees paid in the year to other key management personnel was £2 million (2025: £20 million). Simon Borrows and Jasi Halai are members of key management personnel for both 3i Group plc and Peer Holding I B.V., the Dutch holding company for the Group's investment in Action. In accordance with IAS 24, they are considered related parties. Neither of them received any remuneration from Action during the year (2025: none).

Unconsolidated structured entities

The application of IFRS 12 requires additional disclosure on the Group's exposure to unconsolidated structured entities. The Group has exposure to a number of unconsolidated structured entities, as a result of its investment activities across its Private Equity and Infrastructure business lines.

The Group manages a number of closed-end limited partnerships, which are either Private Equity or Infrastructure focused. The purpose of these partnerships is to invest in Private Equity or Infrastructure investments for capital appreciation. Limited Partners, which in some cases may include the Group, finance these entities by committing capital to them and cash is drawn down or distributed for financing investment activity. The Group's attributable stakes in these entities are held at fair value, fees receivable are recognised on an accruals basis and carried interest is accrued when relevant performance hurdles are met. The carrying amount and maximum loss exposure for these entities is not material (2025: not material).

27 Subsidiaries and related undertakings

IFRS 10 deems control, as opposed to equity ownership, as the key factor when determining what meets the definition of a subsidiary. If a group is exposed to, or has rights to, variable returns from its involvement with the investee, then under IFRS 10 it has control. This is inconsistent with the UK's Companies Act 2006, where voting rights being greater than 50% is the key factor when identifying subsidiaries.

Under IFRS 10, 35 of the Group's portfolio company investments are considered to be accounting subsidiaries. As the Group applies the investment entity exception available under IFRS 10, these investee companies are classified as investment entity subsidiaries.

The Companies Act 2006 requires disclosure of certain information about the Group's related undertakings. Related undertakings are subsidiaries, joint ventures, associates and other significant holdings. In this context, significant means either a shareholding greater than or equal to 20% of the nominal value of any class of shares or a book value greater than 20% of the Group's assets.

The Company's related undertakings at 31 March 2026 are listed as follows:

Description	Holding/share class	Footnote
Subsidiaries		
3i Holdings plc	100% ordinary shares	1
3i Investments plc	100% ordinary shares	1
3i plc	100% ordinary shares	1
3i International Holdings	100% ordinary shares	42
Investors in Industry Limited	100% ordinary shares	1
3i Corporation	100% ordinary shares	2
3i Deutschland Gesellschaft für Industriebeteiligungen mbH	100% ordinary shares	4
Gardens Nominees Limited	100% ordinary shares	1
Gardens Pension Trustees Limited	100% ordinary shares	1
3i Europe plc	100% ordinary shares	1
3i Nominees Limited	100% ordinary shares	1
3i Osprey GP Limited	100% ordinary shares	1
3i Nordic plc	100% ordinary shares	1
3i GP 2004 Limited	100% ordinary shares	43
The 3i Group Employee Trust	n/a	6
3i International Services plc	100% ordinary shares	1
3i EFV Nominees A Limited	100% ordinary shares	1
3i EFV Nominees B Limited	100% ordinary shares	1
3i India Private Limited	100% ordinary shares	7
3i Sports Media (Mauritius) Limited	100% ordinary shares	8
3i EFV GP Limited	100% ordinary shares	1
IIF SLP GP Limited	100% ordinary shares	3
GP CCC 2010 Limited	100% ordinary shares	3
3i GC GP Limited	100% ordinary shares	1
3i GP 2010 Limited	100% ordinary shares	1
3i Growth Capital A LP	100% partnership interest	1
3i Growth Capital G LP	100% partnership interest	1
3i Growth 2010 LP	85% partnership interest	1
Strategic Investments FM (Mauritius) Alpha Limited	70% ordinary shares	8
3i GC Nominees A Limited	100% ordinary shares	1
3i GC Nominees B Limited	100% ordinary shares	1
3i India Infrastructure Fund B LP	99% partnership interest	1
3i 2004 GmbH & Co. KG	100% partnership interest	4
3i General Partner 2004 GmbH	100% ordinary shares	4
3i PE 2013-16 A LP	100% partnership interest	1
3i PE 2013-16 C LP	100% partnership interest	1
3i GP 2013 Ltd	100% ordinary shares	1

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Description	Holding/share class	Footnote	Description	Holding/share class	Footnote
GP 2013 Ltd	100% ordinary shares	3	3i GP 2022 s.a.r.l	100% ordinary shares	9
3i PE 2016-19 A LP	100% partnership interest	1	3i North American Infrastructure Fund A LP	100% partnership interest	25
3i Managed Infrastructure Acquisitions GP (2017) LLP	100% partnership interest	1	3i NAI Holdings LP	100% partnership interest	3
3i Managed Infrastructure Acquisitions GP Limited	100% ordinary shares	1	3i North American Infrastructure GP, LLC	100% equity units	25
3i 2016 GmbH & Co. KG	100% partnership interest	4	3i ECW Coinvest GP, LLC	100% equity units	25
GP 2016 Limited	100% ordinary shares	3	3i European Mid-Market Infrastructure GP (2024) Limited	100% ordinary shares	1
3i GP 2016 Limited	100% ordinary shares	1	3i European Mid-Market Infrastructure A LP	100% ordinary shares	1
3i SCI Holdings Limited	100% ordinary shares	1	3i RR Coinvest GP, LLC	100% equity units	25
3i North American Infrastructure Partners, LLC	100% equity units	25	3i Aura GP (2022) Limited	100% ordinary shares	1
3i Abaco ApS	100% ordinary shares	22	3i Zephyr GP (2022) Limited	100% ordinary shares	1
3i Investments (Luxembourg) S.A.	100% ordinary shares	9	3i Infra GP 2022 (Scots) Limited	100% ordinary shares	3
3i 2019-22 DLP SCSp	100% partnership interest	10	3i Infra 2022 Warehouse LP	100% partnership interest	3
3i PE 2019-22 A LP	100% partnership interest	1	3i 2023 Co-investment LP	100% partnership interest	1
3i PE 2019-22 B LP	100% partnership interest	1	3i MME Coinvest GP, LLC	100% equity units	25
3i PE 2019-22 Warehouse LP	100% partnership interest	3	3i NAI Warehouse LP	100% partnership interest	25
3i 2020 Co-investment LP	100% partnership interest	3	3i NAI Warehouse GP LLC	100% equity units	25
3i GP 2019 Limited	100% ordinary shares	1	3i 2024 Sapphire LP	100% partnership interest	1
3i GP 2020 Limited	100% ordinary shares	3	3i PE 2025-28 A LP	100% partnership interest	1
3i GP 2019 s.a.r.l	100% ordinary shares	10	3i PE 2025-28 B LP	100% partnership interest	1
3i GP 2019 (Scots) Limited	100% ordinary shares	3	3i PE 2025-28 C LP	100% partnership interest	1
3i 2020 Co-investment GP s.a.r.l	100% ordinary shares	10	3i PE 2025-28 A (Lux) SCSp	99% partnership interest	10
3i France SAS	100% ordinary shares	15	3i PE 2025-28 B (Lux) SCSp	99% partnership interest	10
3i IP Acquisitions Limited	100% ordinary shares	1	3i 2020 Co-investment 3 SCSp	62% partnership interest	10
3i IP Acquisitions GP LLP	100% partnership interest	1	3i MIA II GP (2026) Limited	100% ordinary shares	1
3i IIF GP 2020 Limited	100% ordinary shares	1	Ergy 1 SAS	100% ordinary shares	41
3i IIF GP LLP	100% partnership interest	1	Ergy 2 SAS	100% ordinary shares	41
3i Benelux B.V.	100% ordinary shares	12	Ergy 3 SAS	100% ordinary shares	41
3i Mountain LP	99% partnership interest	3			
3i NAI Holdings GP Limited	100% ordinary shares	3	Associates		
3i PE 2022-25 A LP	100% partnership interest	1	3i Growth Carry A LP	25% partnership interest	3
3i PE 2022-25 B LP	100% partnership interest	1	3i Growth Carry B LP	25% partnership interest	3
3i GP 2022 Limited	100% ordinary shares	1	Strategic Investments FM (Mauritius) B Limited	36% ordinary shares	8
3i GP 2022 (Scots) Limited	100% ordinary shares	3	3i Growth Capital B LP	36% partnership interest	1
3i PE 2022-25 A (Lux) SCSp	99% partnership interest	9	3i 2020 Co-investment 1 SCSp	44% partnership interest	10
3i PE 2022-25 B (Lux) SCSp	99% partnership interest	9	3i 2020 Co-Investment 2 SCSp	49% partnership interest	10
			3i 2020 Co-Investment 4 SCSp	43% partnership interest	10

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Description	Holding/share class	Footnote
Associates		
Layout Holdco A/S	49% ordinary shares	13
Boketto Holdco Limited	47% ordinary shares	14
Shield Holdco LLC	49% equity units	2
Q Holdco Limited	38% ordinary shares	17
3i Infrastructure plc	29% ordinary shares	16
Peer Holding I B.V.	40% ordinary shares	18
AES Engineering Limited	43% ordinary shares	19
Carter Thermal Industries Limited	32% ordinary shares	20
Harper Topco Limited	24% ordinary shares	21
Orange County Fundo de Investimento EM Participacoes	40% equity units	24
Tato Holdings Limited	27% ordinary shares	26
Aurela TopCo GmbH	49% ordinary shares	5
C Medical Holdco, LLC	49% equity units	2
Crown Holdco B.V.	49% ordinary shares	36
3i India Infrastructure Holdings Ltd	21% ordinary shares	8
Racing Topco GmbH	49% ordinary shares	23
Panda Holdco LLC	49% equity units	40
Scandlines Infrastructure ApS	35% ordinary shares	27
Alinghi 1 S.A.S	49% ordinary shares	11
SaniSure Holdings GP LLC	49% equity units	2
Garden & House International GmbH	36% ordinary shares	29
WHCG GP LLC	49% equity units	28
Hydra Holdco B.V.	49% ordinary shares	34
European Bakery Group B.V.	49% ordinary shares	35
Himalaya Topco B.V.	46% ordinary shares	33
Ten23 Health GP LLC	49% equity units	28
xSuite Top Holding GmbH	49% ordinary shares	30
Balearia Topco B.V.	49% ordinary shares	31
Kite Topco ApS	49% ordinary shares	32
Pegase 1 SAS	49% ordinary shares	37
Aqua Topco Limited	49% ordinary shares	38
Marathon TopCo GmbH	49% ordinary shares	39

There are no joint ventures or other significant holdings. The 15 large portfolio companies by fair value are detailed on pages 232 and 233. The combination of the table above and that on pages 232 and 233 is deemed by the Directors to fulfil the requirements under IFRS 12 on the disclosure of material subsidiaries.

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Footnote	Address
1	1 Knightsbridge, London, SW1X 7LX, UK
2	300 Park Avenue, 23rd Fl, New York, NY 10022, USA
3	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, UK
4	OpfernTurm, Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main, Germany
5	Seelbude 13, 36110 Schlitz, Germany
6	13 Castle Street, St Helier, JE1 1ES, Jersey
7	407, Sanjar Enclave, Opp. PVR/Milap Cinemas, Kandivali (W), 400067, Mumbai, India
8	5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Mauritius
9	5 place de la gare, L-1616, Luxembourg
10	9, rue de Bitbourg, L-1273, Luxembourg
11	16 place de l'Iris, 92 400 Courbevoie, France
12	Cornelis Schuytstraat 74, 1071JL Amsterdam, Netherlands
13	Mørupvej 16 Mørup, 7400 Herning, Denmark
14	New Mill, New Mill Lane, Witney, Oxfordshire, OX29 9SX, UK
15	29-31, rue de Berri, 75008 Paris, France
16	Aztec Group House, IFC 6, The Esplanade, St. Helier, JE4 0QH, Jersey
17	5 Churchill Place, 10th Floor, London, E14 5HU, UK
18	Perenmarkt 15, Zwaagdijk East, 1681PG, Netherlands
19	Bradmarsh Business Park, Mill Close, Rotherham, South Yorkshire, S60 1BZ, UK
20	90 Lea Ford Road, Birmingham, B33 9TX, UK
21	25 Eccleston Place, London, SW1W 9NF, UK
22	Nybrogade 12, 1203 Copenhagen, Denmark
23	Schanzenstr. 6-20, Gebäude 2.08, 51063 Cologne, Germany
24	Avenida Brigadeiro Faria Lima, 2055, 19 andar, 01452-001 – Sao Paulo, SP, Brazil
25	Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle, Delaware, DE 19801, USA
26	Thor Specialities (UK) Limited, Wincham Avenue, Wincham, Northwich, CW9 6GB, UK
27	Havneholmen 25, 8., 1561 Copenhagen, Denmark
28	251 Little Falls Drive, Wilmington, New Castle, Delaware, DE 19808, USA
29	Bahrenfelder Chaussee 49, 22761, Hamburg, Germany
30	Hamburger Str. 12, 22926 Ahrensburg, Germany

Footnote	Address
31	Herengracht 262, 1016 BV Amsterdam, Netherlands
32	Kuglegårdsvej 17, 1434 Copenhagen, Denmark
33	Aalsvoort 101, 7241 MB Lochem, Netherlands
34	Veldsteen 19, 4815 PK Breda, Netherlands
35	Kronosstraat 2, 5048 CE Tilburg, Netherlands
36	Industriepark Vliedberg 12, 5251 RG Vlijmen, Netherlands
37	199 Bureaux de la Colline, Saint Cloud 92210, France
38	41 Lothbury, London, EC2R 7HF, UK
39	Gutenbergstraße 20, 30823 Garbsen, Germany
40	18801 North Thompson Peak Parkway Suite D-320, Scottsdale, AZ 85255, USA
41	3 rue de Pondichéry, 75015, Paris, France
42	Level 33 One Canada Square, London, E14 5AB, UK
43	2 Bothwell Street, Glasgow, G2 6LU, UK

28 Post balance sheet events

There have been no material events since the balance sheet date.

KPMG LLP's independent auditor's report to the members of 3i Group plc

1. Our opinion is unmodified

In our opinion:

- the financial statements of 3i Group plc give a true and fair view of the state of the Group and of the Parent Company's affairs as at 31 March 2026, and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the Group and Parent Company financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What our opinion covers

We have audited the Group and Parent Company financial statements of 3i Group plc ("the Company") for the year ended 31 March 2026 (FY2026) included in the Annual Report and Accounts, which comprise:

Group (3i Group plc and its subsidiaries)

- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of changes in equity
- Consolidated cash flow statement
- Notes to the accounts, including the summary of material accounting policies

Parent Company (3i Group plc)

- Company statement of financial position
- Company statement of changes in equity
- Company cash flow statement
- Notes to the accounts, including the summary of material accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion and matters included in this report are consistent with those discussed and included in our reporting to the Audit and Compliance Committee ("ACC").

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with UK ethical requirements, including the FRC Ethical Standard as applied to listed public interest entities.

2. Overview of our audit

Factors driving our view of risks

Following our FY2025 audit, we have updated our risk assessment based on changes in the Group and the macroeconomic environment.

The global macro-economic and geopolitical environment continues to drive our risk assessment as it impacts both the performance of the portfolio companies, and the financial markets.

During the year, the global macroeconomic environment remained uncertain. Inflationary pressures moderated from previously elevated levels in a number of economies; however, interest rates remained relatively high in major economies, with only limited and cautious easing by certain central banks. Expectations regarding the future path of monetary policy continue to evolve in response to the macroeconomic and geopolitical developments.

Ongoing conflict in the Middle East contributed to elevated geopolitical risk during this period, especially around the year end, including disruptions to global supply chain and upward pressure on energy prices. These factors increased uncertainty around inflation and economic growth which contributed to intermittent volatility in listed and unlisted equity across global financial markets. The direct impact for 3i includes the volatility in the multiples of comparable companies and discount rates used to value portfolio companies.

The Group's largest investment, Action, has continued to grow primarily driven by new store openings, growth in like-for-like sales, and a focus on margin management. The rest of the portfolio companies delivered differing levels of performance, with some requiring additional support from 3i.

KPMG LLP’s independent auditor’s report to the members of 3i Group plc continued

The risk associated with the valuation of unquoted investments continues to be heightened and have resulted in significant judgement required from the Group in their selection of valuation inputs, particularly the key assumptions used. These key assumptions continue to be the focus of our audit and are outlined in greater detail in section 4.

Key Audit Matters (Group and Parent Company)	Vs FY2025	Items
Valuation of Unquoted Investments (Group and Parent Company)	↔	4.1
⊕ Newly identified risk	⬆ Increase in risk since FY2025	
↔ Similar risk to FY2025	⬇ Decrease in risk since FY2025	

Audit and compliance committee interaction

During the year, the ACC met 6 times, KPMG attended all ACC meetings, except those where the audit tender was discussed and are provided with an opportunity to meet with the ACC in private sessions without the Executive Directors being present. In addition, KPMG attended all Valuations Committee meetings.

For the Key Audit Matter, we have set out communications with the ACC in section 4, including matters that required particular judgement. The matters included in the Audit and Compliance Committee Chair’s report on page 130 are materially consistent with our observations of those meetings.

Our independence

We have fulfilled our ethical responsibilities and remain independent of the Group in accordance with UK ethical requirements, including the FRC Ethical Standard as applied to listed public interest entities.

We have not performed any non-audit services during the year ended 31 March 2026 or subsequently which are prohibited by the FRC Ethical Standard.

We were first appointed as auditor by the shareholders for the year ended 31 March 2021. The period of total uninterrupted engagement is for the six financial years ended 31 March 2026.

Total audit fee	£2.6m (FY2025: £2.4m)
Audit related fees (including interim review)	£0.4m (FY2025: £0.4m)
Non-audit fee as a % of total audit and audit related fee %	13% (FY2025: 14%)
Date first appointed	25 June 2020
Uninterrupted audit tenure	6 years

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Materiality (item 6 below)

The scope of our work is influenced by our view of materiality and our assessed risk of material misstatement.

We have determined overall materiality for the Group financial statements as a whole at £284m (FY2025: £195m) and for the Parent Company financial statements as a whole at £230m (FY2025: £194m).

Consistent with FY2025, we determined that Total Assets remains the benchmark for the Group as the valuation of the investment portfolio remains the key financial measure. As such, we based our Group materiality on Total Assets, of which it represents 0.88% (FY2025: 0.75%).

Materiality for the Parent Company financial statements was determined with reference to a benchmark of Parent Company Total Assets of which it represents 0.72% (FY2025: 0.76%).

Materiality levels used in our audit

Group Materiality (£m)



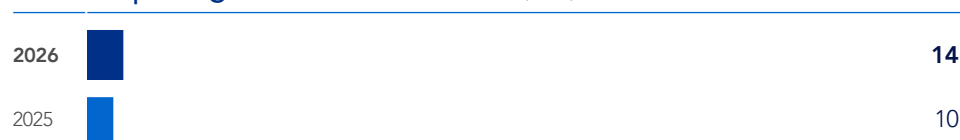
Group Performance Materiality (£m)



PLC Parent Company Materiality (£m)



AMPT Reporting Differences Threshold (£m)



Group scope (item 7 below)

We have performed risk assessment and planning procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements.

We identified the group as a whole to be a single component, having considered our evaluation of the Group's operational structure, the Group's legal structure, the existence of common information systems, and our ability to perform audit procedures centrally.

Accordingly, we performed audit procedures on the single component. All procedures were performed by the Group team.

We consider the scope of our audit, as communicated to the ACC, to be an appropriate basis for our audit opinion.

The impact of climate change on our audit

In planning our audit, we have considered the potential impacts of climate change on the Group's business and its financial statements.

Climate change impacts the Group in a variety of ways including the impact of climate risk on investment valuations, potential reputational risk associated with the Group's delivery of its climate related initiatives, and greater emphasis on climate related narrative and disclosure in the annual report.

The Group's exposure to climate change is primarily through the portfolio companies, as the key valuation assumptions and estimates may be impacted by climate change risks.

We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit, in particular over the valuation of portfolio companies. Our assessment of the impact of climate change was limited to the valuation of unquoted investments.

For the biggest asset in the portfolio, Action, we read the company's sustainability report to understand the climate change risks and considered the impact on its valuation.

On the basis of the risk assessment procedures performed above, we concluded that, while climate change posed a risk to the determination of the valuation of portfolio companies due to the potential impact on the maintainability of valuation earnings or free cash flow forecasts, the risk was not significant when we considered the portfolio of investments. As a result, there was no material impact from this on our key audit matter.

We have also read the disclosure of climate related information in the front half of the annual report as set out on pages 68 to 81 and considered consistency with the financial statements and our audit knowledge. We have not been engaged to provide assurance over the accuracy of these disclosures.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

3. Going concern, viability and principal risks and uncertainties

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and they have concluded that the Group's and the Parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Going concern

We used our knowledge of the Group and Parent Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Parent Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Parent Company's available financial resources over this period were:

- Continued geopolitical tension and/or macro-economic downturn impacting the performance of portfolio companies, which may require the Group to provide further liquidity support, reduce dividend income and result in delays to the realisation of the Group's investments;
- A material downturn in performance of the Group's largest portfolio company, Action, resulting in a reduction in dividends or even requiring liquidity support; and
- A combination of the two scenarios.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's financial forecasts. Our procedures also included an assessment of whether the going concern disclosure in Accounting Policy A to the financial statements gives a complete and accurate description of the Directors' assessment of going concern.

Accordingly, based on those procedures, we found the Directors' use of the going concern basis of accounting without any material uncertainty for the Group and Parent Company to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Parent Company will continue in operation.

Our conclusions

- We consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for the going concern period;
- We have nothing material to add or draw attention to in relation to the Directors' statement in Accounting Policy A to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in Accounting Policy A to be acceptable; and
- The related statement under the Listing Rules set out on page 170 is materially consistent with the financial statements and our audit knowledge.

Disclosures of emerging and principal risks and longer-term viability

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Principal Risks and mitigations statement that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal risks and mitigations disclosures describing these risks and how emerging risks are identified and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability statement set out on pages 139 and 140 under the Listing Rules.

KPMG LLP’s independent auditor’s report to the members of 3i Group plc continued

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions, and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group’s and Parent Company’s longer-term viability.

Our reporting

We have nothing material to add or draw attention to in relation to these disclosures.

We have concluded that these disclosures are materially consistent with the financial statements and our audit knowledge.

4. Key audit matters

What we mean

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on:

- the overall audit strategy;
- the allocation of resources in the audit; and
- directing the efforts of the engagement team.

We include below the Key Audit Matter together with our key audit procedures to address that matter and our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, for the purpose of our audit of the financial statements as a whole. We do not provide a separate opinion on this matter.

4.1 Valuation of unquoted investments (Group and Parent Company)

Financial Statement Elements

	FY2026	FY2025
Unquoted investments – Group and parent	£20,053m	£17,500m
Investments in investment entity subsidiaries	£10,535m	£6,916m
Interests in group entities – Parent Company	£9,967m	£6,385m

Our assessment of risk vs FY2025



Our results

FY2026: Acceptable

Our assessment of the risk is similar to FY2025.

FY2025: Acceptable

Description of the Key Audit Matter

Subjective valuation

The investment portfolio comprises a number of unquoted investments. As these investments are unquoted and illiquid, the fair value is determined through the application of valuation techniques, which requires the exercise of significant judgement by the Group and Parent Company in relation to the assumptions and inputs into the valuation models.

The valuation of unquoted financial instruments are considered to have a significant risk due to fraud and error as they are driven by significant unobservable inputs, which present an opportunity for misstatement of financial statements due to significant judgement and related estimation uncertainty.

The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Group’s valuations are maintainable earnings and valuation multiples under the market approach, as well as the forecasted cash flow, discount rate and terminal value under the income approach.

We have determined that due to the subjective nature of the estimates required in the fair value measurement of unquoted investments and the associated high degree of estimation uncertainty, there is a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The sensitivities related to the fair value of assets and liabilities are disclosed on pages 198 to 201.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Our response to the risk

Control design: We assessed the design and implementation of the investment valuation processes and controls, as required by professional standards.

Benchmarking assumptions: We challenged the Group and Parent Company on key judgements affecting portfolio company valuations by comparing assumptions made to external sources such as management information received from portfolio companies. We used our understanding of the portfolio companies to assess the assumptions around maintainability of earnings, and the comparability of companies selected by management to calibrate their valuations multiple or the discount rate.

Our valuation expertise: For a sample of investments, selected based on audit materiality and the risk profile of each investment, we used our own valuations specialists to assist us in assessing the principles and appropriateness of the valuation methodology, critically challenging the key assumptions, and independently providing a reasonable range for earnings multiples and discount rates, where applicable.

Understanding of the business: For the largest asset in the portfolio, Action, we visited its Head Office in the Netherlands, and held discussions with Action's management and external audit team to understand the business strategy, key processes and controls, how accounting estimates are made, and any key audit findings.

Historical comparisons: We compared the actual performance or cash flows achieved by portfolio companies to the inputs used in the valuation model for the prior year to understand the reasons for any significant variances and determine whether they are indicative of bias and error in the Group's approach to valuations.

Assessing transparency: We considered the appropriateness, in accordance with relevant accounting standards, of the disclosures in respect of unquoted investments and the effect of changing one or more inputs to reasonably possible alternative valuation assumptions.

We performed the testing above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Communications with the 3i Group plc Audit and Compliance Committee and Valuations committee

Our discussions with and reporting to the Audit and Compliance Committee and the Valuations Committee included:

- Our approach to the audit of the fair value of the unquoted investment portfolio including details of our planned substantive procedures and the extent of our controls reliance;
- Our conclusions on the appropriateness of 3i's fair value methodology and policy;
- Our conclusions on the appropriateness of the valuation outcome for individual portfolio companies and, for the sample of investments where we were assisted by our valuation specialists, an indication of where the Group's valuation multiple and discount rate (where applicable) falls within our acceptable range;
- The adequacy of the sensitivity disclosures, particularly as they relate to valuation inputs; and
- Our assessment of whether any misstatement identified through these procedures was material.

Areas of particular auditor judgement

Auditor judgement is required to assess whether the Directors' estimate of the following key assumptions fall within an acceptable range:

- For assets valued using an earnings multiple approach:
 - Determination of valuation multiples; and
 - Determination of maintainable earnings (including any earnings adjustments).
- For assets valued using a discounted cash flow approach:
 - Discount rate
 - Projected cash flows
 - Terminal value exit multiple, and
 - Terminal value earnings

Our results

Based on the risk identified and our procedures performed, we consider the valuation of the unquoted investments to be acceptable (FY2025: acceptable).

Further information in the Annual Report and Accounts: The Audit and Compliance Committee Report on page 130 to 140 and the Valuation Committee report on page 141 to 145 outlines details on how the committees considered Valuation as an area of significant attention. The relevant accounting policy is disclosed on page 196, with the related financial statement disclosures included on page 198-201.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

5. Our ability to detect irregularities, and our response

Fraud – identifying and responding to risks of material misstatement due to fraud

Fraud risk assessment

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included the following:

- Meetings throughout the year with the Group General Counsel, internal audit and Head of Compliance at which we discussed the Group's policies and procedures to prevent and detect fraud. Additionally, we obtained and inspected associated supporting documentation such as:
 - Board and Audit and Compliance Committee minutes;
 - Internal audit reports;
 - Internal risk registers; and
 - Breaches register.
- Enquiries of executive directors, finance team, the Group General Counsel, the Head of Compliance, Internal Audit, and the Audit and Compliance Committee as to whether they have knowledge of any actual, suspected, or alleged fraud.
- Consideration of the Group's remuneration policies, key drivers for remuneration and bonus levels; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with companies in the same sector as 3i operates, and this experience was relevant to the discussion about where fraud risks may arise.

Risk communications

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Fraud risks

As required by auditing standards, and taking into account possible pressures to meet performance targets, we performed procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of the unquoted investment portfolio and investment entity subsidiaries.

On this audit we have not identified a significant risk of fraud related to revenue recognition because the Group has a relatively simple revenue model with no material estimation or judgement; the simple nature and low volume of individual revenue transactions means there is a remote risk of material misstatement from fraudulent manipulation, and opportunities for a material misstatement due to fraudulent revenue recognition are limited due to the nature of the portfolio income received.

We identified an additional fraud risk relating to the valuation of unquoted investments held on balance sheet and within investment entity subsidiaries. As these investments are unquoted and illiquid, they are valued using valuation techniques. Such techniques are subjective and involve the exercise of judgement by the Group and Parent Company over areas such as maintainability of earnings used in valuations, the determination of earnings multiples, and projected cash flows, discount factors and terminal values for discounted cash flow valuations. In addition, the valuation of unquoted investments drives the share price of the Group, which in turn drives remuneration of the Executive Directors, and is a key indicator for their performance. Due to the highly judgemental nature of these valuations, the reliance on unobservable inputs, and the linkage to Executive Directors' remuneration, we consider there to be increased risk of fraud in relation to the valuation of unquoted investment portfolio.

Link to KAMs

Further detail in respect to procedures performed over the valuation of unquoted investments is contained within the key audit matter disclosures in section 4.1 of this report.

Procedures to address fraud risks

We performed substantive audit procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included post close journals and journal entries we consider to represent high risks.
- Assessing significant accounting estimates, including valuation of unquoted investments and investment entity subsidiaries, for any indicators of management bias.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Laws and regulations – identifying and responding to risks of material misstatement relating to compliance with laws and regulations

Laws and regulations risk assessment

Identifying and responding to risks of material misstatement related to compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated and operates in a highly regulated environment, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements. Our assessment included inspection of key frameworks, policies and standards in place and understanding and evaluating the role of the compliance function in establishing these and monitoring compliance.

Risk communications

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Direct laws context and link to audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including, financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation.

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Most significant indirect law/regulation areas

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate in countries where the non-adherence to laws could prevent trading in such countries.

We identified the following areas as those most likely to have such an effect:

- Anti-bribery and corruption;
- Competition legislation;
- Regulatory capital and liquidity;
- Health and safety legislation;
- Market abuse regulations; and
- Certain aspects of company legislation recognising the financial and regulated nature of two of the Group's subsidiaries and their legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

KPMG LLP’s independent auditor’s report to the members of 3i Group plc continued

6. Our determination of materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

<p>£284m (FY2025: £195m)</p> <p>Materiality for the group financial statements as a whole</p>	<p>What we mean A quantitative reference for the purpose of planning and performing our audit.</p> <p>Basis for determining materiality and judgements applied Materiality for the Group financial statements as a whole was set at £284m (FY2025: £195m). Consistent with FY2025, we determined that Total Assets remains the main benchmark for the Group as the valuation of the investment portfolio remains the key financial measure.</p>	<p>Our Group materiality of £284m was determined by applying a percentage to the Total Assets. When using an asset related measure to determine overall materiality, KPMG’s approach for listed public interest entities considers a guideline range 0.5% - 1% of the measure. In setting overall Group materiality, we applied a percentage of 0.88% (FY2025: 0.75%) to the benchmark.</p> <p>Materiality for the Parent Company financial statements as a whole was set at £230m (FY2025: £194m), determined with reference to a benchmark of Parent Company total assets, of which it represents 0.72% (FY2025: 0.76%).</p>
<p>£213m (FY2025: £146m)</p> <p>Performance materiality</p>	<p>What we mean Our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.</p> <p>Basis for determining performance materiality and judgements applied We have considered performance materiality at a level of 75% (FY2025: 75%) of materiality for 3i Group financial statements as a whole to be appropriate.</p>	<p>The Parent Company performance materiality was set at £172m (FY2025: £145m), which equates to 75% (FY2025: 75%) of materiality for the Parent Company financial statements as a whole.</p> <p>We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.</p>
<p>£14.0m (FY2025: £9.7m)</p> <p>Audit misstatement posting threshold</p>	<p>What we mean This is the amount below which identified misstatements are considered to be clearly trivial from a quantitative point of view. We may become aware of misstatements below this threshold which could alter the nature, timing, and scope of our audit procedures, for example if we identify smaller misstatements which are indicators of fraud.</p> <p>This is also the amount above which all misstatements identified are communicated to 3i Group plc’s Audit and Compliance Committee.</p>	<p>Basis for determining the audit misstatement posting threshold and judgements applied We set our audit misstatement posting threshold at 5% (FY2025: 5%) of our materiality for the Group financial statements. We also report to the Audit and Compliance Committee any other identified misstatements that warrant reporting on qualitative grounds.</p>

The overall materiality for the Group financial statements of £284m (FY2025: £195m) compares as follows to the main financial statement caption amounts:

	Total Gross investment income		Group profit for the year		Total Group Net Assets	
	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
Financial statement Caption	£5,496m	£5,062m	£5,294m	£5,038m	£30,887m	£24,611m
Group Materiality as % of caption	5.2%	3.9%	5.4%	3.9%	0.9%	0.8%

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

7. The scope of our audit

Group scope

What we mean

How the Group audit team determined the procedures to be performed across the Group.

We performed risk assessment procedures to determine which of the Group's components are likely to include risk of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

We identified the group as a whole to be a single component, having considered our evaluation of the Group's operational structure, the Group's legal structure, the existence of common information systems, and our ability to perform audit procedures centrally. Accordingly, we performed audit procedures on the single component. The Group auditor performed the audit of the Parent Company.

Impact of controls on our Group audit

In relation to the key audit matter communicated in section 4.1, we did not plan to rely on controls in our audit because we believe that either it is more effective to perform a predominantly substantive audit approach or the nature of the financial statement account balance is such that we would expect to obtain audit evidence primarily through substantive procedures.

The audit team has tested controls relating to the segregation of duties over journal posting to obtain further evidence supporting our assessment of the high-risk criteria, alongside our substantive procedures. We identified the Group's financial reporting system to be the main IT system relevant to our audit. We involved IT auditors to assist us in obtaining an understanding of the processes and controls within this financial reporting system as well as evaluating key automated controls in relation to journal entries, including the associated general IT controls. The findings identified in this process related to segregation of duties does not affect our planned audit approach.

Group audit team oversight

What we mean

The extent of the Group audit team's involvement in component audits.

As outlined above, we identified the Group as a single component. The Group engagement team performed audit procedures over this component and, as such, no component auditors were involved.

8. Other information in the annual report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

All other information

Our responsibility

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Our reporting

Based solely on that work we have not identified material misstatements or inconsistencies in the other information.

Strategic report and Directors' report

Our responsibility and reporting

Based solely on our work on the other information described above we report to you as follows:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

Our responsibility

We are required to form an opinion as to whether the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Our reporting

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Corporate governance disclosures

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the financial statements and our audit knowledge, and:

- the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit and Compliance Committee, including the significant issues that the Audit and Compliance Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

Our reporting

Based on those procedures, we have concluded that each of these disclosures is materially consistent with the financial statements and our audit knowledge.

We are also required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

Our reporting

We have nothing to report in this respect.

Other matters on which we are required to report by exception

Our responsibility

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Our reporting

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 176, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Fang Fang Zhou (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London, E14 5GL
13 May 2026



Portfolio and other information

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15 large investments

The 15 investments listed below account for 95% of the portfolio at 31 March 2026 (31 March 2025: 93%). One portfolio company has been excluded due to commercial sensitivity. All investments have been assessed to establish whether they classify as accounting subsidiaries under IFRS and/or subsidiaries under the UK Companies Act. This assessment forms the basis of our disclosure of accounting subsidiaries in the financial statements.

The UK Companies Act defines a subsidiary based on voting rights, with a greater than 50% majority of voting rights resulting in an entity being classified as a subsidiary. IFRS 10 applies a wider test and, if a Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee then it has control, and hence the investee is deemed an accounting subsidiary. Controlled subsidiaries under IFRS are noted below. None of these investments are UK Companies Act subsidiaries.

In accordance with Part 5 of The Alternative Investment Fund Managers Regulations 2013 ("the Regulations"), 3i Investments plc, as AIFM, requires all controlled portfolio companies, with their registered offices in the United Kingdom, to make available to employees an annual report which meets the disclosure requirements of the Regulations. These are available either on the portfolio company's website or through filing with the relevant local authorities.

Investment	Description of business	Business line	Geography	First invested in	Valuation basis	Residual cost ¹	Residual cost ¹	Valuation ²	Valuation ²	Relevant transactions in the year	
						March 2026	March 2025	March 2026	March 2025		
						£m	£m	£m	£m		
Action*											
	General merchandise discount retailer	Private Equity	Netherlands	2011	Earnings	4,443	1,877	23,743	17,831	£944 million of capital restructuring proceeds, £246 million cash dividends received and further investment of £2,566 million	
Royal Sanders*											
	Private label and contract manufacturing producer of personal care products	Private Equity	Netherlands	2018	Earnings	260	204	1,228	865	Further investment of £56 million. Acquired Vendoleo in December 2025	
3i Infrastructure plc*											
	Quoted investment company, investing in infrastructure		UK	2007	Quoted	305	305	897	856	£35 million dividend received	
Cirtec Medical*											
	Outsourced medical device manufacturing	Private Equity	US	2017	Earnings	172	172	573	614		
Scandlines											
	Ferry operator between Denmark and Germany	Scandlines	Denmark/ Germany	2018	DCF	531	531	571	529	£21 million dividend received	
AES											
	Manufacturer of mechanical seals and provider of reliability services	Private Equity	UK	1996	Earnings	30	30	443	419	£10 million dividend received	
Audley Travel*											
	Provider of experiential tailor-made travel	Private Equity	UK	2015	Earnings	393	338	425	276		

15 large investments continued

Investment	Description of business	Business line	Geography	First invested in	Valuation basis	Residual cost ¹	Residual cost ¹	Valuation ²	Valuation ²	Relevant transactions in the year
						March 2026	March 2025	March 2026	March 2025	
						£m	£m	£m	£m	
Tato										
Manufacturer and seller of specialty chemicals	Private Equity	UK	1989	Earnings		2	2	379	382	£17 million dividend received
ten23 health*										
Biologics focused CDMO	Private Equity	Switzerland	2021	Other		220	183	315	250	Further investment of £37 million
SaniSure*										
Manufacturer, distributor and integrator of single-use bioprocessing systems and components	Private Equity	US	2019	Earnings		76	76	315	324	
European Bakery Group*										
Industrial bakery group specialised in bake-off bread and snack products	Private Equity	Netherlands	2021	Earnings		67	63	305	278	£8 million dividend recorded
Smarte Group*										
Infrastructure concessionaire to airports and high-traffic venues, providing luggage carts, electronic lockers, mobility solutions, and ancillary services	Infrastructure	US	2017	DCF		203	196	301	308	Acquired Lost & Found Software in January 2026
Luqom*										
Online lighting specialist retailer	Private Equity	Germany	2017	Earnings		287	273	276	218	
Q Holding*³										
Manufacturer of catheter products serving the medical device market	Private Equity	US	2014	Earnings		162	162	187	172	
WaterWipes*										
Global, premium, natural wet wipe brand	Private Equity	Ireland	2025	Earnings		121	121	121	117	
						7,272	4,533	30,079	23,439	

* Controlled in accordance with IFRS.

1 Residual cost includes cash investment, non-cash investment and interest, net of cost disposed.

2 Valuation represents our unrealised value at the relevant date and does not include any realised proceeds or dividends received under our ownership.

3 The capital proceeds received in FY2023 from the partial disposal of the investment did not result in a reduction to the cost base.

Portfolio valuation – an explanation

Policy

The valuation policy is the responsibility of the Board, with additional oversight and annual review from the Valuations Committee. The policy is reviewed at least annually, with the last update in January 2026. Our policy is to value 3i's investment portfolio at fair value and we achieve this by valuing investments on an appropriate basis, applying a consistent approach across the portfolio. The policy ensures that the portfolio valuation is compliant with the fair value guidelines under IFRS and, in so doing, is also compliant with the IPEV guidelines. The policy covers the Group's Private Equity, Infrastructure and Scandlines investment valuations. Valuations of the unquoted investment portfolio of the Group and its subsidiaries are performed at each quarter end. Quoted valuations are performed monthly.

Fair value is the underlying principle and is defined as "the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date" (IPEV guidelines, December 2025). Fair value is an estimate and, as such, determining fair value requires the use of judgement.

The quoted assets in our portfolio are valued at their closing bid price at the balance sheet date. The majority of the portfolio, however, is represented by unquoted investments.

Private Equity unquoted valuation

To arrive at the fair value of the Group's unquoted Private Equity investments, we first estimate the entire value of the company we have invested in – the enterprise value. We then apportion that enterprise value between 3i, other shareholders and lenders.

Determining enterprise value

The enterprise value is determined using one of a selection of methodologies depending on the nature, facts and circumstances of the investment.

Where possible, we use methodologies which draw heavily on observable market prices, whether listed equity markets or reported merger and acquisition transactions, and trading updates from our portfolio.

As unquoted investments are not traded on an active market, the Group adjusts the estimated enterprise value by a liquidity discount. The liquidity discount is applied to the total enterprise value and we apply a higher discount rate for investments where there are material restrictions on our ability to sell at a time of our choosing.

Note 12 Fair values of assets and liabilities outlines in more detail the range of valuation methodologies available to us, as well as the inputs and adjustments necessary for each. The fair value of each investment has been assessed on a case-by-case basis considering historical, current and forward looking data. Where forward-looking data forms the base of a valuation, the accuracy, reliability and maintainability of these forecasts has been considered.

Apportioning the enterprise value between 3i, other shareholders and lenders

Once we have estimated the enterprise value, the following steps are taken:

- (1) We subtract the value of any claims, net of free cash balances that are more senior to the most senior of our investments.
- (2) The resulting attributable enterprise value is apportioned to the Group's investment, and equal ranking investments by other parties, according to contractual terms and conditions, to arrive at a fair value of the entirety of the investment. The value is then distributed amongst the different loan, equity and other financial instruments accordingly.
- (3) If the value attributed to a specific shareholder loan investment in a company is less than its carrying value, a shortfall is implied, which is recognised in our valuation. In exceptional cases, we may judge that the shortfall is temporary; to recognise the shortfall in such a scenario would lead to unrepresentative volatility and hence we may choose not to recognise the shortfall.

Other factors

In applying this framework, there are additional considerations that are factored into the valuation of some assets.

Impacts from structuring

Structural rights are instruments convertible into equity or cash at specific points in time or linked to specific events. For example, where a majority shareholder chooses to sell, and we have a minority interest, we may have the right to a minimum return on our investment.

Debt instruments, in particular, may have structural rights. In the valuation, it is assumed third parties, such as lenders or holders of convertible instruments, fully exercise any structural rights they might have if they are "in the money", and that the value to the Group may therefore be reduced by such rights held by third parties. The Group's own structural rights are valued on the basis they are exercisable on the reporting date.

Infrastructure unquoted valuation

The primary valuation methodology used for unquoted Infrastructure investments is the DCF method. Fair value is estimated by deriving the present value of the investment using reasonable assumptions of expected future cash flows and the terminal value and date, and the appropriate risk-adjusted discount rate that quantifies the risk inherent to the investment. The discount rate is estimated with reference to the market risk-free rate, a risk-adjusted premium and information specific to the investment or market sector.

Scandlines unquoted valuation

Scandlines is valued on a DCF basis. This is consistent with the Infrastructure methodology.

Information for shareholders

Financial calendar

Ex-dividend date	Thursday 18 June 2026
Record date	Friday 19 June 2026
Annual General Meeting	Thursday 25 June 2026
Second FY2026 dividend to be paid	Friday 24 July 2026
Half-year results (available online only)	November 2026
First FY2027 dividend expected to be paid	January 2027

Share price

Share price at 31 March 2026	2,438
High during the year 27 October 2025	4,459
Low during the year 26 March 2026	2,299

Information on ordinary shares

Shareholder profile: Location of investors at 31 March 2026

UK	42%
North America	38%
Continental Europe	12%
Other international	8%

Dividends paid in the year to 31 March 2026

Second FY2025 dividend, paid 25 July 2025	42.5p
First FY2026 dividend, paid 9 January 2026	36.5p

Balance analysis summary

Range	Number of holdings		Number of shares	% shares	Balance as at 31 March 2026		
	Individuals	Corporate bodies			Total holdings	Individual shares	Corporate shares
1–1,000	8,274	218	3,511,629	0.34	8,492	3,429,217	82,412
1,001–10,000	3,346	470	9,222,779	0.90	3,816	7,249,185	1,973,594
10,001–100,000	76	528	22,439,390	2.19	604	1,737,065	20,702,325
100,001–1,000,000	4	369	126,808,478	12.38	373	536,418	126,272,060
1,000,001–10,000,000	–	109	279,360,080	27.26	109	–	279,360,080
10,000,001–highest	–	17	583,360,421	56.93	17	–	583,360,421
Total	11,700	1,711	1,024,702,777	100	13,411	12,951,885	1,011,750,892

The table above provides details of the number of shareholdings within each of the bands stated in the register of members at 31 March 2026.

It should be noted that because many individuals and institutions hold shares through nominees (such as brokers, investment managers or investment platforms) the actual number of beneficial owners of shares will be greater than the numbers of holdings in the above table.

Information for shareholders continued

The Common Reporting Standard

Tax legislation under the Organisation for Economic Co-operation and Development ("OECD") Common Reporting Standard for Automatic Exchange of Financial Account Information requires investment trust companies to provide information about certain shareholders in the company to HMRC. As an investment trust company, 3i Group plc is required to provide information annually to HMRC on certain certificated shareholders and corporate entities. This information includes country of tax residency as well as details of shares held and dividends received. HMRC may in turn exchange such information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements with the UK to exchange financial account information. Certain shareholders have been and will in future be sent a self-certification form for the purposes of collecting required information.

Boiler room and other scams

Shareholders should be wary of any unsolicited investment advice, offers to buy shares at a discounted price or offers to buy 3i shareholdings. These fraudsters use persuasive and high-pressure tactics to lure shareholders into scams. We have become aware of what appears to be an increase in calls to current and former 3i shareholders.

The Financial Conduct Authority ("FCA") has found that victims of share fraud are often seasoned investors with victims losing an average of £20,000.

Please keep in mind that firms authorised by the FCA are unlikely to contact you unexpectedly with an offer to buy or sell shares. You should consider getting independent financial or professional advice before you hand over any money or even share any information with them.

If you receive any unsolicited approaches or investment advice, you should proceed with caution. Steps that you might wish to take could include the following:

- always ensure the firm is on the FCA Register and is allowed to give financial advice before handing over your money. You can check at www.fca.org.uk/register;
- double-check the caller is from the firm they say they are – ask for their name and telephone number and say you will call them back. Check their identity by calling the firm using the contact number listed on the FCA Register. This is important as there have been instances where an authorised firm's website has been cloned but with a few subtle changes, such as a different phone number or false email address;
- check the FCA's list of known unauthorised overseas firms. However, these firms change their name regularly, so even if a firm is not listed it does not mean they are legitimate. Always check that they are listed on the FCA Register; and
- if you have any doubts, call the FCA Consumer Helpline on 0800 111 6768. If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme.

Annual reports and Half-yearly reports online

If you would prefer to receive shareholder communications electronically in future, including annual reports and notices of meetings, please visit our Registrars' website at www.shareview.info/register and follow the instructions there to register.

The 2026 Half-yearly report will be available online only. Please register to ensure you are notified when it becomes available at www.3i.com/investor-relations/financial-news.

More general information on electronic communications is available on our website at www.3i.com/investor-relations/shareholder-centre/.

Investor relations enquiries

For all investor relations enquiries about 3i Group plc, including requests for further copies of the Annual report and accounts, please contact:

Investor relations
3i Group plc
1 Knightsbridge
London, SW1X 7LX

Telephone +44 (0)20 7975 3131

email IRTeam@3i.com

or visit the Investor relations section of our website at www.3i.com/investor-relations, for full up-to-date investor relations information, including the latest share price, results presentations and financial news.

Registrars

For shareholder administration enquiries, including changes of address please contact:

Equiniti
Highdown House
Yeoman Way
Worthing
BN99 6DA

Telephone 0371 384 2031

Lines are open from 8.30am to 17.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales).

Glossary

Alternative Investment Funds (“AIFs”) At 31 March 2026, 3i Investments plc as AIFM, managed five AIFs. These were 3i Group plc, 3i Growth Capital B LP, 3i Growth Capital C LP, 3i Managed Infrastructure Acquisitions LP and 3i Infrastructure plc.

Alternative Investment Fund Manager (“AIFM”) is the regulated manager of AIFs. Within 3i, this is 3i Investments plc.

Approved Investment Trust Company This is a particular UK tax status maintained by 3i Group plc, the parent company of 3i Group. An approved Investment Trust company is a UK company which meets certain conditions set out in the UK tax rules which include a requirement for the company to undertake portfolio investment activity that aims to spread investment risk and for the company's shares to be listed on an approved exchange. The “approved” status for an investment trust must be agreed by the UK tax authorities and its benefit is that certain profits of the company, principally its capital profits, are not taxable in the UK.

Assets under management (“AUM”) A measure of the total assets that 3i has to invest or manages on behalf of shareholders and third-party investors for which it receives a fee. AUM is measured at fair value. In the absence of a third-party fund in Private Equity, it is not a measure of fee generating capability.

Board The Board of Directors of the Company.

CAGR is the compound annual growth rate.

Capital redemption reserve is established in respect of the redemption of the Company's ordinary shares.

Capital reserve recognises all profits and losses that are capital in nature or have been allocated to capital. Following changes to the Companies Act, the Company amended its Articles of Association at the 2012 Annual General Meeting to allow these profits to be distributable by way of a dividend.

Carried interest payable is accrued on the realised and unrealised profits generated taking relevant performance hurdles into consideration, assuming all investments were realised at the prevailing book value. Carried interest is only actually paid when the relevant performance hurdles are met and the accrual is discounted to reflect expected payment periods.

Carried interest receivable The Group earns a share of profits from funds which it manages on behalf of third parties. These profits are earned when the funds meet certain performance conditions and are paid by the fund once these conditions have been met on a cash basis. The carried interest receivable may be subject to clawback provisions if the performance of the fund deteriorates following carried interest being paid.

CDMO stands for a contract development and manufacturing organisation.

Company 3i Group plc.

DACH The region covering Austria, Germany and Switzerland.

DCF Discounted cash flow.

Discounting The reduction in present value at a given date of a future cash transaction at an assumed rate, using a discount factor reflecting the time value of money.

EBITDA is defined as earnings before interest, taxation, depreciation and amortisation and is used as the typical measure of portfolio company performance.

EBITDA multiple Calculated as the enterprise value over EBITDA, it is used to determine the value of a company.

Executive Committee The Executive Committee is responsible for the day-to-day running of the Group (see page 113).

Fair value movements on investment entity subsidiaries The movement in the carrying value of Group subsidiaries, classified as investment entities under IFRS 10, between the start and end of the accounting period converted into sterling using the exchange rates at the date of the movement.

Fair value through profit or loss (“FVTPL”) is an IFRS measurement basis permitted for assets and liabilities which meet certain criteria. Gains and losses on assets and liabilities measured as FVTPL are recognised directly in the Statement of comprehensive income.

Fee income (or Fees receivable) is earned for providing services to 3i's portfolio companies and predominantly falls into one of two categories. Negotiation and other transaction fees are earned for providing transaction related services. Monitoring and other ongoing service fees are earned for providing a range of services over a period of time.

Fees receivable from external funds are earned for providing management and advisory services to a variety of fund partnerships and other entities. Fees are typically calculated as a percentage of the cost or value of the assets managed during the year and are paid quarterly, based on the assets under management to date.

Foreign exchange on investments arises on investments made in currencies that are different from the functional currency of the Company. Investments are translated at the exchange rate ruling at the date of the transaction. At each subsequent reporting date investments are translated to sterling at the exchange rate ruling at that date.

Gross investment return (“GIR”) includes profit and loss on realisations, increases and decreases in the value of the investments we hold at the end of a period, any income received from the investments such as interest, dividends and fee income, movements in the fair value of derivatives and foreign exchange movements. GIR is measured as a percentage of the opening portfolio value.

Interest income from investment portfolio is recognised as it accrues. When the fair value of an investment is assessed to be below the principal value of a loan, the Group recognises a provision against any interest accrued from the date of the assessment going forward until the investment is assessed to have recovered in value.

Glossary continued

International Financial Reporting Standards ("IFRS") are accounting standards issued by the International Accounting Standards Board ("IASB"). The Group's consolidated financial statements are prepared in accordance with UK adopted international accounting standards.

Investment basis Accounts prepared assuming that IFRS 10 had not been introduced. Under this basis, we fair value portfolio companies at the level we believe provides useful comprehensive financial information. The commentary in the Strategic report refers to this basis as we believe it provides a more understandable view of our performance.

IRR Internal Rate of Return.

Key Performance Indicator ("KPI") is a measure by reference to which the development, performance or position of the Group can be measured effectively.

Like-for-like compare financial results in one period with those for the previous period.

Liquidity includes cash and cash equivalents (as per the Investment basis Consolidated cash flow statement) and undrawn RCF.

Money multiple is calculated as the cumulative distributions plus any residual value divided by paid-in capital.

Net asset value ("NAV") is a measure of the fair value of our proprietary investments and the net costs of operating the business.

Operating cash profit is the difference between our cash income (consisting of portfolio interest received, portfolio dividends received, portfolio fees received and fees received from external funds as per the Investment basis Consolidated cash flow statement) and our operating expenses and lease payments (as per the Investment basis Consolidated cash flow statement).

Operating profit includes gross investment return, management fee income generated from managing external funds, the costs of running our business, net interest payable, exchange movements, other income, carried interest and tax.

Organic growth is the growth a company achieves by increasing output and enhancing sales internally.

Performance fee receivable The Group earns a performance fee from the investment management services it provides to 3i Infrastructure plc ("3iIN") when 3iIN's total return for the year exceeds a specified threshold. This fee is calculated on an annual basis and paid in cash early in the next financial year.

Portfolio effect is the level of risk based on the diversity of the investment portfolio.

Portfolio income is that which is directly related to the return from individual investments. It is comprised of dividend income, income from loans and receivables and fee income.

Proprietary Capital is shareholders' capital which is available to invest to generate profits.

Public Private Partnership ("PPP") is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.

Realised profits or losses over value on the disposal of investments is the difference between the fair value of the consideration received, less any directly attributable costs, on the sale of equity and the repayment of loans and receivables and its carrying value at the start of the accounting period, converted into sterling using the exchange rates at the date of disposal.

Revenue reserve recognises all profits and losses that are revenue in nature or have been allocated to revenue.

Revolving Credit Facility ("RCF") The Group has access to a credit line which allows us to access funds when required to improve our liquidity.

Run-rate is a financial performance metric, which captures the future predicted growth of a portfolio company's financial performance.

Segmental reporting Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive who is considered to be the Group's chief operating decision maker. All transactions between business segments are conducted on an arm's length basis, with intrasegment revenue and costs being eliminated on consolidation. Income and expenses directly associated with each segment are included in determining business segment performance.

Share-based payment reserve is a reserve to recognise those amounts in retained earnings in respect of share-based payments.

SORP means the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts.

Syndication is the sale of part of our investment in a portfolio company to a third party, usually within 12 months of our initial investment and for the purposes of facilitating investment by a co-investor or portfolio company management in line with our original investment plan. A syndication is treated as a negative investment rather than a realisation.

Total return comprises operating profit less tax charge less movement in actuarial valuation of the historic defined benefit pension scheme.

Total Shareholder Return ("TSR") is the measure of the overall return to shareholders and includes the movement in the share price and any dividends paid, assuming that all dividends are reinvested on their ex-dividend date.

Translation reserve comprises all exchange differences arising from the translation of the financial statements of international operations.

Unrealised profits or losses on the revaluation of investments is the movement in the carrying value of investments between the start and end of the accounting period converted into sterling using the exchange rates at the date of the movement.

3i Group plc

Registered office: 1 Knightsbridge, London, SW1X 7LX, UK

Registered in England No. 1142830
An investment company as defined by
section 833 of the Companies Act 2006

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ISO 14001

A pattern of control for an environmental management system against which an organisation can be accredited by a third party.



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