

VERIFICATION STATEMENT – REASONABLE ASSURANCE

Carbon Credentials Energy Services Ltd (Carbon Credentials) has been contracted by 3i Group plc of 16 Palace St, Westminster, London, SW1E 5JD for the independent third party verification of direct and indirect carbon dioxide equivalent emissions (CO₂e) as provided in the 2018/19 company annual report and accounts and 2018 CDP disclosure to a reasonable level of assurance. This verification exercise has been performed to the ISO 14064-3 standard.

ROLES AND RESPONSIBILITIES

The management of 3i Group plc is responsible for the organisation's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information.

It is Carbon Credentials' responsibility to express an independent GHG verification opinion on the emissions as provided in the 3i Group plc 2018/19 annual report and accounts for the period 1st April 2018 – 31st March 2019.

DESCRIPTION OF ACTIVITIES

The organisational boundary was established following the operational control approach and includes 3i Group plc's global operations. The scope of this engagement covered the assessment of 100% emission sources required for disclosure by *The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013* plus additional sources:

- *Scope 1 Emissions*
 - Combustion of gaseous fuels
 - Combustion of liquid fuels
- *Scope 2 Emissions*
 - Purchased electricity consumption
- *Scope 3 Emissions*
 - Business travel (flights, rail, taxi)
 - Waste disposal
 - Paper consumption
 - Electricity transmission and distribution losses
 - Water supply and treatment

OBJECTIVES

The objectives of this verification exercise were, by review of objective evidence, to confirm whether any evidence existed that the GHG emissions as declared in the organisation's GHG assertion were: accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

CRITERIA

Criteria against which the verification assessment was undertaken:

Reporting standard:

- Scope 1 emissions – World Resources Institute/World Business Council for Sustainable Development: *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition* (the GHG Protocol);

- Scope 2 emissions - World Resources Institute: GHG Protocol Scope 2 Guidance: *An Amendment to the GHG Protocol Corporate Standard*

Reference calculation methodologies: DEFRA (2013) Environmental Reporting Guidelines: *Including mandatory greenhouse gas emissions reporting guidance*

LEVEL OF ASSURANCE AND MATERIALITY

The level of assurance agreed is that of reasonable assurance. A materiality level of 5% was applied. Note that assessment of compliance and materiality was undertaken against the stated calculation methodology.

CONCLUSION & VERIFICATION OPINION

We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a reasonable level of assurance based on the process and procedures conducted.

We conducted our verification with regard to the GHG assertion of 3i Group plc, which included assessment of the company GHG information system and monitoring and reporting methodology. This assessment included the collection of evidence supporting the reported data and multiple checks relative to the provisions of the legislation, reporting standard and calculation methodologies referenced in the verification criteria. This statement shall be interpreted with the GHG assertion of 3i Group plc as a whole.

Carbon Credentials' approach is risk-based, drawing on an understanding of the risks associated with calculating GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a limited sample basis, of evidence relevant to the reporting of emission information.

Based on the data and information provided by 3i Group plc and the processes and procedures conducted, Carbon Credentials concludes with reasonable assurance that the GHG assertion:

- is materially correct;
- is a fair representation of the GHG emissions data and information; and
- is prepared in accordance with the criteria listed above.

It is our opinion that 3i Group plc has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

The GHG information for the period 01/04/2018 – 31/03/2019 is verified by Carbon Credentials to a reasonable level of assurance, consistent with the agreed verification scope, objectives and criteria. 100% of emissions by scope are verified as follows:

Reporting Period: 01/04/2018 – 31/03/2019			
Scope 1	Scope 2 (location-based)	Scope 2 (market-based)	Scope 3
Reported Emissions:	Reported Emissions:	Reported Emissions:	Reported Emissions:
142.2 tonnes of CO ₂ e	483.6 tonnes of CO ₂ e	126.7 tonnes of CO ₂	3,547.0 tonnes of CO ₂ e

OBSERVATIONS

- Based on our work, Carbon Credentials considers that material GHG sources are appropriately identified and reported on.
- Implementation of a structured database system for emissions information has improved reporting efficiency, has reduced the risk of misreporting and has improved the quality of management information available to decision-makers.
- All material errors in reported data identified during the verification process have been duly corrected.

Attestation:



Oliver Smallman

Lead Verifier

On behalf of Carbon Credentials Energy Services Ltd



No member of the verification team has a business relationship with 3i Group plc, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.