



3i Group plc's FY2025 greenhouse gas (“GHG”) emissions and energy consumption reporting criteria

14 MAY 2025

Reporting criteria

The emissions and energy consumption disclosed are aligned with 3i Group plc's financial reporting year (1 April 2024 to 31 March 2025) and cover the same operational boundary.

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 acknowledge that the greenhouse gas (“GHG”) emissions quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs; and estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Reporting boundaries

We consolidate our organisational boundary according to the operational control approach, which includes all our offices in: London (both our old and new offices for the whole lease period), Amsterdam, Frankfurt, Luxembourg (both our old and new offices for the whole lease period), Mumbai (for April and May 2024), New York (both our old and new offices for the whole lease period), and Paris.

The GHG sources that constituted our operational boundary for the year to 31 March 2025 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 offices and leased vehicles;
- **Scope 3**¹- category 1: purchased goods and services; category 2: capital goods; category 3: fuel- and energy-related activities; category 5: waste generated in operations; category 6: business travel; and category 7: employee commuting and emissions associated with working from home.

We rely on representatives of our local offices to confirm relevant energy sources for each of the locations.

¹Categories included in Scope 3 are those relevant to 3i's operations. Financed emissions from the portfolio are disclosed separately.

Reporting methodology

SCOPE 1

Emissions from Scope 1 sources have been calculated using activity-based data derived from internal metering systems and utility or service provider records, where available. In the absence of complete primary data, emissions have been estimated using several fallback approaches. These include extrapolation from available historical data for the same location, interpolation using data from comparable months, or proxy-based estimation using the proportion of office floor area occupied relative to the building total. In cases where location-specific data was not available, our estimation was also informed by energy consumption ratios between comparable offices.

Emissions from leased vehicles have been calculated based on a combination of fuel purchase records, where available, or distance travelled by vehicles for the reporting period. We rely on representatives of our local offices or users of vehicles to provide complete data.

Emission factors used for Scope 1 calculations are sourced from the UK Government's Department for Environment, Food and Rural Affairs (DEFRA) 2024 conversion factors for company reporting.

SCOPE 2

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 (eg bundled electricity, supplier specific rates, direct electricity contracts).

Emissions calculations are based on activity data sourced from internal metering systems and invoices issued by energy suppliers or property managers. Electricity consumption data is derived from meter readings or supplier invoices. District heating and cooling usage is based on billing data provided by landlords. For steam consumption, metered usage data is utilised where such systems are in place.

Leased electric vehicles are charged using the office electricity and therefore accounted for as part of that office's electricity consumption.

In the absence of complete primary data, emissions have been estimated using several fallback approaches. These include extrapolation from available historical data for the same location, interpolation using data from comparable months, or proxy-based estimation using the proportion of office floor area occupied relative to the building total. These estimation methodologies are consistent with those applied to Scope 1 and are designed to maintain consistency, transparency, and data completeness.

For the location-based method, emissions factors are sourced via an automated emissions calculator tool from credible authorities including the International Energy Agency (IEA), the UK Government's DEFRA GHG Conversion Factors, and the US Environmental Protection Agency (EPA), with selection dependent on the location of the reporting entity.

For the market-based method, supplier-specific emissions factors are used where available and deemed credible. In cases where such factors are unavailable, residual mix factors published by the Association of Issuing Bodies (AIB) and sourced via the automated emissions calculator tool are used. If neither is available, national grid-average factors from IEA or EPA datasets sourced via the automated emissions calculator tool are applied. All market-based instruments included in the reporting meet the GHG Protocol's required quality criteria for emissions attribution.

Although we have a relatively low environmental footprint, we are committed to reducing it further. We purchased our electricity from 100% renewable sources during FY2025 for our London, Paris and Frankfurt offices, as well as for the premises we previously occupied in New York, which we

leased until the end of March 2025. Together, these offices accounted for over 80% of our overall electricity consumption. We switched to renewable electricity in our Amsterdam office in January 2025, bringing the total renewable electricity consumption to approximately 85%. The landlord of our new 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. Our London office moved to new premises that use only renewable electricity and do not rely on gas. As a result, we expect a further reduction in GHG emissions in FY2026.

SCOPE 3

Category 1: purchased goods and services and category 2: capital goods

Total supplier spend data for the reporting period was used as the primary basis for estimating emissions under both categories. We rely on our accounts payable team to provide complete data for spend during the reporting period.

Some spend data was excluded from calculations for the following reasons:

- intercompany transactions;
- spend that was later recharged to portfolio companies;
- spend associated with the activities already included in Scope 1, 2 or 3 elsewhere, such as electricity, rent, business travel and waste;
- spend associated with employee benefits;
- financial transaction charges associated with the service provided;
- expenses associated with projects that are included as part of the fees;
- FX gains and losses;
- tax;
- tips and gratuities;
- donations.

Total supplier spend was consolidated, and a prioritisation analysis was conducted to identify suppliers accounting for the top 70% of spend. For these suppliers, an effort was made to obtain actual emissions data through public disclosures. Where actual emissions data was available, emissions were calculated using supplier-specific emissions intensity ratios, typically normalised to revenue. Supplier-specific emissions are calculated as a sum of publicly available Scope 1, Scope 2 and Scope 3. Where both market- and location-based scope 2 emissions are available from the supplier, the market-based emissions are used as a preference to more accurately reflect the decarbonisation efforts of the supplier. During the reporting year, supplier-specific emissions were successfully obtained for 54% of total spend.

For suppliers without available emissions data, emissions were estimated using the 2019 US spend-based emission factors from EXIOBASE, the latest supplier-spend factors available to us via the automated emissions calculator, mapped by industry sector using Standard Industrial Classification ("SIC") codes from Companies House where available, covering around 95% of the remaining suppliers. If a SIC code is not available, the supplier is categorised based on the nature of the business and of the transaction. Remaining uncategorised or missing data was addressed through extrapolation using average emissions intensities from the classified supplier set.

The emissions were split between capital goods (category 2) and purchased goods and services (category 1) based on the nature of the suppliers and their work for 3i.

Category 3: fuel- and energy-related activities

Scope 3 Category 3 includes upstream emissions related to the production and distribution of fuels and energy purchased and consumed by the organisation, prior to their actual use. These emissions encompass well-to-tank (WTT) emissions for fuels used in Scope 1, as well as the lifecycle emissions associated with electricity, heating, cooling, and steam reported under Scope 2. This category is accounted for separately to provide a more complete picture of the indirect emissions associated with operational energy consumption.

Activity data used to calculate emissions in this category corresponds directly to the quantities of fuels and energy reported under Scope 1 and Scope 2. This includes natural gas, electricity, district heating and cooling, steam, and fuels consumed by vehicles under operational control.

Emissions have been calculated using upstream emissions factors derived from a combination of sources, including the UK Government's DEFRA conversion factors, the International Energy Agency (IEA), and the German Environment Agency (UBA), depending on the type of energy and its geographic context. These factors capture the indirect emissions associated with fuel extraction, processing, and transport, as well as energy transmission and distribution losses.

Category 5: waste generated in operations

Scope 3 Category 5 accounts for emissions from the treatment and disposal of waste generated as a result of operational activities. This includes waste generated at offices under the operational control of the organisation. While not explicitly required under the GHG Protocol for water-related emissions, water use is also tracked and estimated for internal management and disclosure purposes, as it contributes to indirect emissions associated with treatment and supply processes.

Waste and water data have been obtained directly from property managers or landlords for each office location. These figures include detailed breakdowns by waste type (e.g., general waste, recyclables, organic waste) and, where available, by waste treatment method (e.g., landfill, recycling, incineration with or without energy recovery). For water, the total volume consumed is provided or inferred for each location.

Where the provided waste or water data covers a larger building estate that includes the organisation's premises, proportional allocation is applied based on the occupied floor area relative to the total area of the estate. This ensures only the relevant share of emissions is attributed to the reporting boundary.

In locations where no waste or water data is available, emissions are estimated using a proxy approach based on floor area and actual waste data from comparable offices. This includes taking into account regional context and occupancy levels to ensure that proxy data reflects similar operational patterns. Where only partial data is available for an office (e.g., missing months or missing categories), extrapolation is applied using average business days per month to estimate annual totals.

Emissions are calculated using DEFRA emissions factors, which account for the lifecycle impacts of different waste types and treatment methods, as well as emissions associated with water use and treatment. These factors are applied by material category to ensure specificity and accuracy in the estimation process.

Category 6: business travel

Scope 3 Category 6 covers indirect greenhouse gas emissions resulting from business travel activities undertaken by employees during the reporting year. These emissions arise from transportation and accommodation services purchased by the organisation, including air and rail travel, as well as hotel stays. We rely on travel agency to provide a complete set of air and rail travel and hotel stays.

Business travel activity data has been sourced from the organisation's contracted travel agency. This includes booking records for air travel, train journeys, and hotel stays. For air travel, data includes travel distance and class of service (e.g., economy, business), while train travel includes information on route and distance. Hotel stays are recorded based on the number of nights and destination.

Emissions associated with travel activities are calculated using a combination of Tank-to-Wheel (TTW) and Well-to-Tank (WTT) emissions factors, both provided by DEFRA. The TTW emissions represent the direct combustion emissions released by the vehicle during travel—this includes the

CO₂ and other GHGs produced by burning fuel during a flight or train ride. These are the emissions visible at the point of use.

The WTT emissions, on the other hand, represent the upstream emissions associated with the production, refining, and transport of the fuel before it is used by the vehicle. This includes all energy consumed and emissions released during the extraction of raw materials, fuel processing, and delivery to the point of refuelling. Including both TTW and WTT emissions ensures a full lifecycle perspective of travel-related emissions, which is essential for comprehensive Scope 3 accounting.

Hotel accommodation emissions are estimated using DEFRA's country-specific emissions factors for overnight stays. These factors represent average emissions per night and include the energy used for heating, cooling, lighting, and other operational needs of hotels. Where country-specific data was not available, a proxy emissions factor from a similar country has been applied based on regional comparability.

Category 7: employee commuting and emissions associated with working from home

Employee Commuting

Commuting emissions are estimated based on the organisation's working policy, which stipulates a standard hybrid working pattern of four days in the office and one day working remotely per week. To model transport-related emissions, average commuting distances and travel modes have been estimated for each office location using regional transport statistics and publicly available data.

The model includes estimates of the share of employees using different transport modes (such as car, public transport, or cycling) and the average commute distance per mode per location. These assumptions are applied to total headcount by office location to calculate aggregate travel activity.

Emissions are calculated using DEFRA emissions factors for business travel, incorporating both Tank-to-Wheel (TTW) and Well-to-Tank (WTT) components. TTW emissions capture the direct emissions from fuel combustion during travel, while WTT emissions represent upstream emissions from the production and supply of fuels. This dual approach ensures that the full lifecycle impact of commuting is reflected in the calculations.

Working from Home

Emissions associated with working from home are estimated based on average residential energy use for home office equipment, lighting, and space conditioning (heating and cooling). The calculation considers the same one-day-per-week remote working assumption and applies estimated energy demand values derived from industry benchmarks.

Factors used to quantify home energy emissions are drawn from open-source data and are supported by standardised emissions data from sources including the International Energy Agency (IEA), DEFRA, and the US Environmental Protection Agency (EPA). These factors reflect regional variations in residential energy mixes and emissions intensities.

Restatement of Emissions Due to Change in Methodology

RESTATEMENT POLICY

To ensure consistency and comparability of reported greenhouse gas emissions over time, we apply a restatement policy where prior year figures are recalculated if there is a significant change in methodology. In accordance with this policy, if a change in methodology results in a variation greater than 10% year-on-year within a specific scope, prior year emissions figures are restated using the updated methodology.

RESTATEMENT OF FY2024 SCOPE 3

Our measured Scope 3 emissions for the year ending 31 March 2025 totalled **3,800.3** tCO₂e. As part of this year's reporting, we restated our previously reported FY2024 Scope 3 emissions figure from

9,612.8 tCO₂e to 4,211.9 tCO₂e. This restatement was conducted to align with this year's methodology that uses more widely available emissions factors for the calculation of supplier emissions. Specifically, we adopted EXIOBASE supplier emissions factors, which currently cover direct supplier emissions and were the only factors available via the automated emissions calculator tool we procured in the year, and, therefore, we moved away from EORA factors that take into account both direct and indirect supplier emissions.