



# Governance

<b>Governance at 3i</b>	106	<b>S172 Statement</b>	122
<b>Corporate governance statement</b>	106	<b>Board performance review</b>	125
<b>Governance framework</b>	108	<b>Nominations Committee report</b>	127
<b>Board of Directors</b>	110	<b>Audit and Compliance Committee report</b>	130
<b>Executive Committee</b>	113	<b>Resilience statement</b>	137
<b>Board Operations</b>	114	<b>Valuations Committee report</b>	141
<b>Board activities in FY2026</b>	116	<b>Directors' remuneration report</b>	146
<b>Engaging with stakeholders</b>	118	<b>Additional statutory and corporate governance information</b>	170

# 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

Board's role	110-117
Purpose, values and strategy	3, 50-67, 94, 116-117, 136
Governance framework and decision making	108-109
Stakeholder engagement	118-121
Workforce policies and practices	62-65, 174-175

### Audit, risk and internal control

Auditor	133-135
Fair, balanced and understandable assessment	133, 176
Risk management and internal controls framework	94-104, 130-140
<b>Division of responsibilities</b>	
Role of the Chair	109
Independence and division of responsibilities	171
Non-Executive Directors' role and time commitment	110-112, 173
Company Secretary and Board resources	108, 116

### Remuneration

Remuneration policies and practices	146-149
Developing Executive remuneration policy	161-169
Remuneration outcomes and independent judgement	146-160
<b>Composition, succession and performance</b>	
Appointments to the Board and succession planning	107, 127, 171
Board skills, experience and knowledge	110-111
Board performance	125-126

# 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.

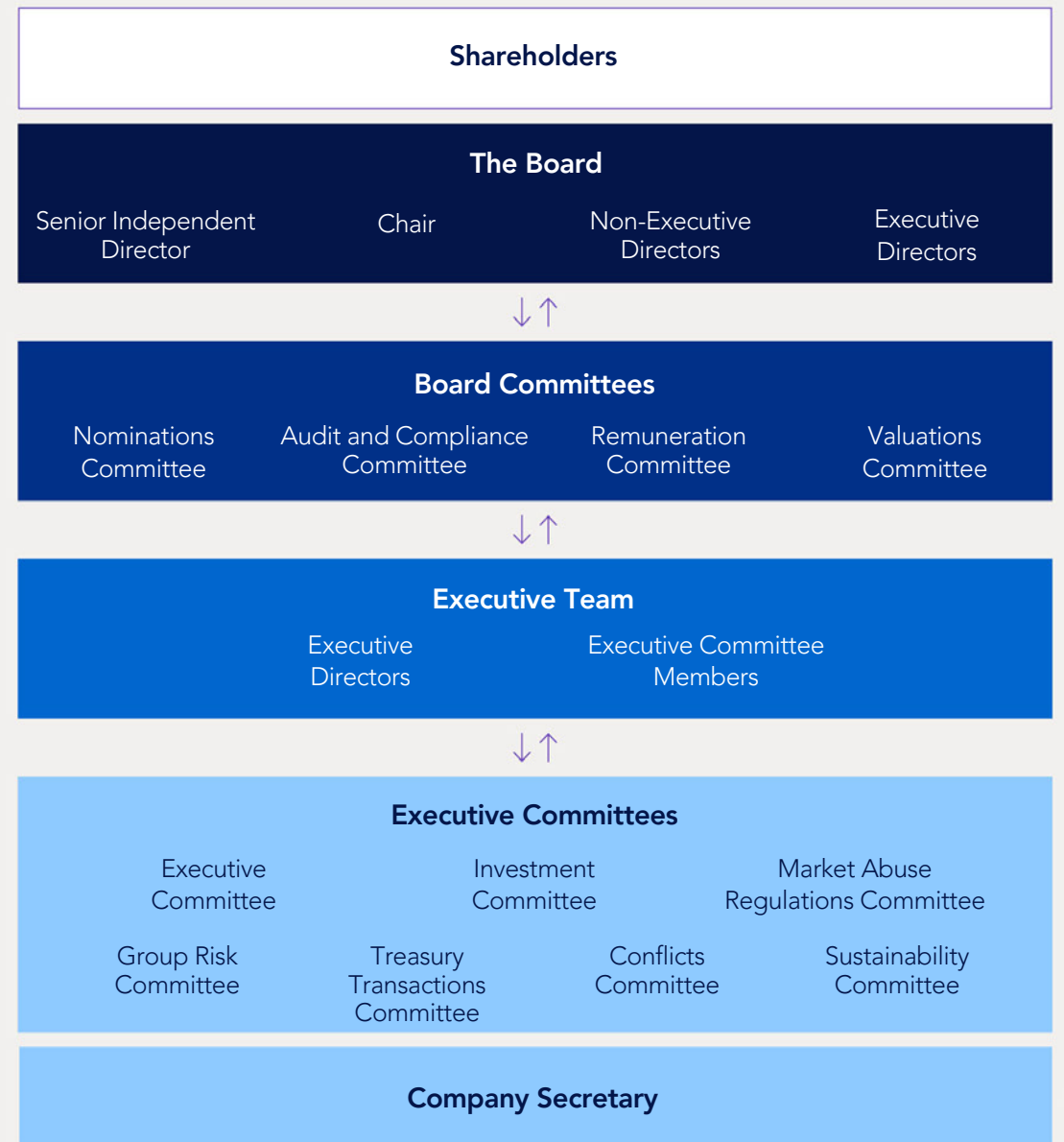
# Board leadership and Company purpose

## 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](http://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](http://www.3i.com/about-us/governance/board-committees)



# Governance framework continued

## Board positions and responsibilities

<p><b>Chair</b></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><b>Chief Executive</b></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><b>Senior Independent Director</b></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><b>Non-Executive Directors</b></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><b>Company Secretary</b></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>
--	---	--	---	--

## Board Committees

<p><b>Nominations Committee</b></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> <b>Nominations Committee report</b> see pages 127-129</p>	<p><b>Audit and Compliance Committee</b></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> <b>Audit and Compliance Committee report</b> see pages 130-136</p>	<p><b>Valuations Committee</b></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> <b>Valuations Committee report</b> see pages 141-145</p>	<p><b>Remuneration Committee</b></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> <b>Remuneration Committee report</b> see pages 146-169</p>
---	--	--	---

# Board of Directors

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

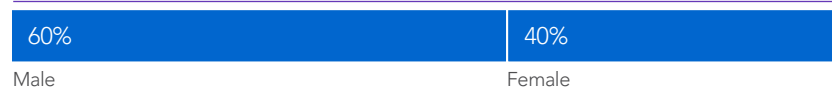
## Tenure



## 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 <sup>1</sup>		7	6	2	7	4
<b>Number attended:</b>						
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)

<sup>1</sup> 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.

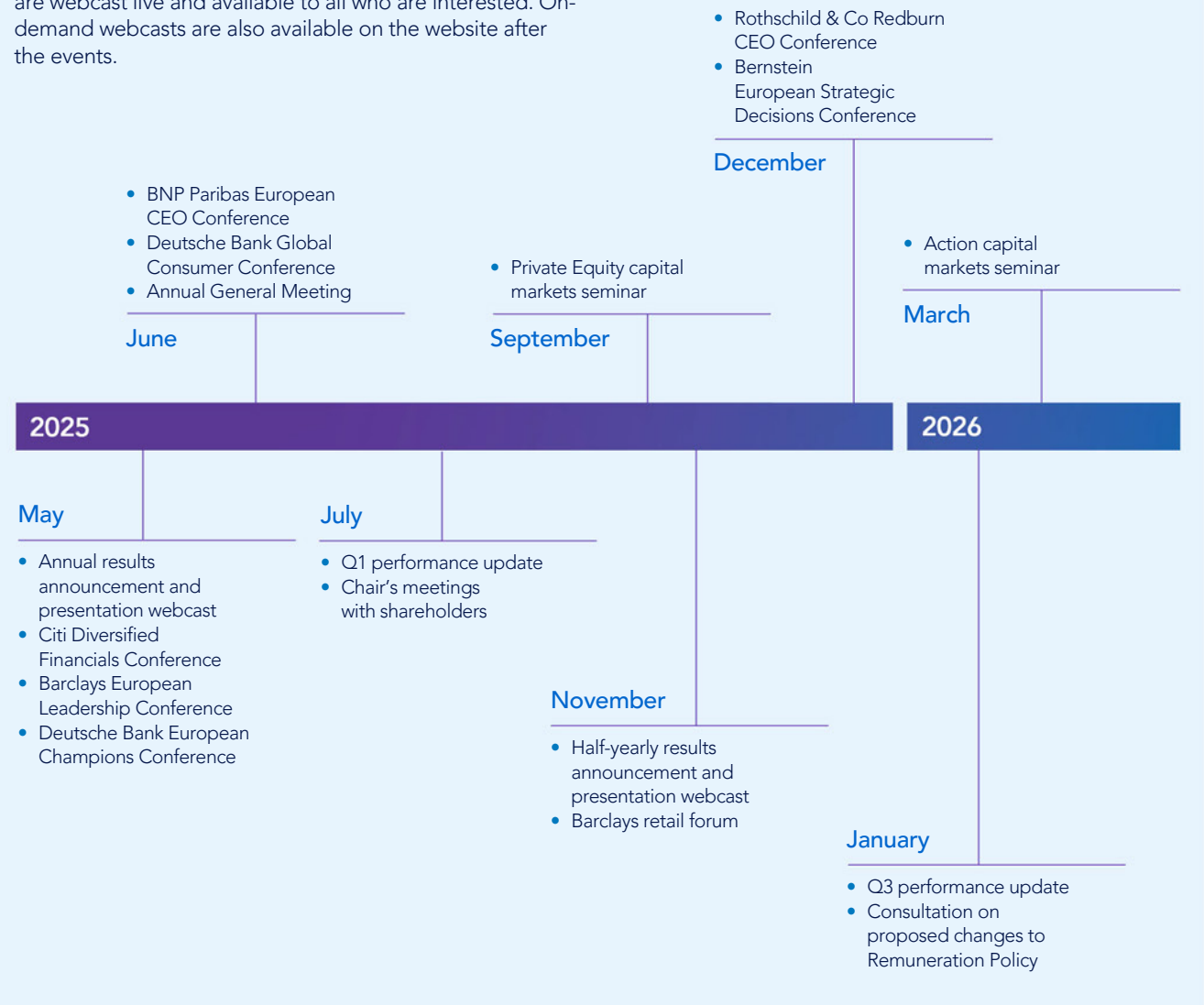
In FY2026, shareholders were principally interested in the performance of Action and in the performance of the rest of the portfolio, 3i's capital allocation strategy and market conditions for new investments and realisations.

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](http://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](http://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.



Ownership in Action

65.4%

[See pages 26-33](#)

# 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
<b>Gender identity or sex</b>					
Men	6	60%	3	8	89%
Women	4	40%	1	1	11%
Not specified/prefer not to say	–	–	–	–	–
<b>Ethnic background</b>					
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 information<sup>1</sup> 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

<sup>1</sup> 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><b>Valuation of the proprietary capital investment portfolio</b></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><b>Fair, balanced and understandable and the presentation of 3i's reports and accounts</b></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

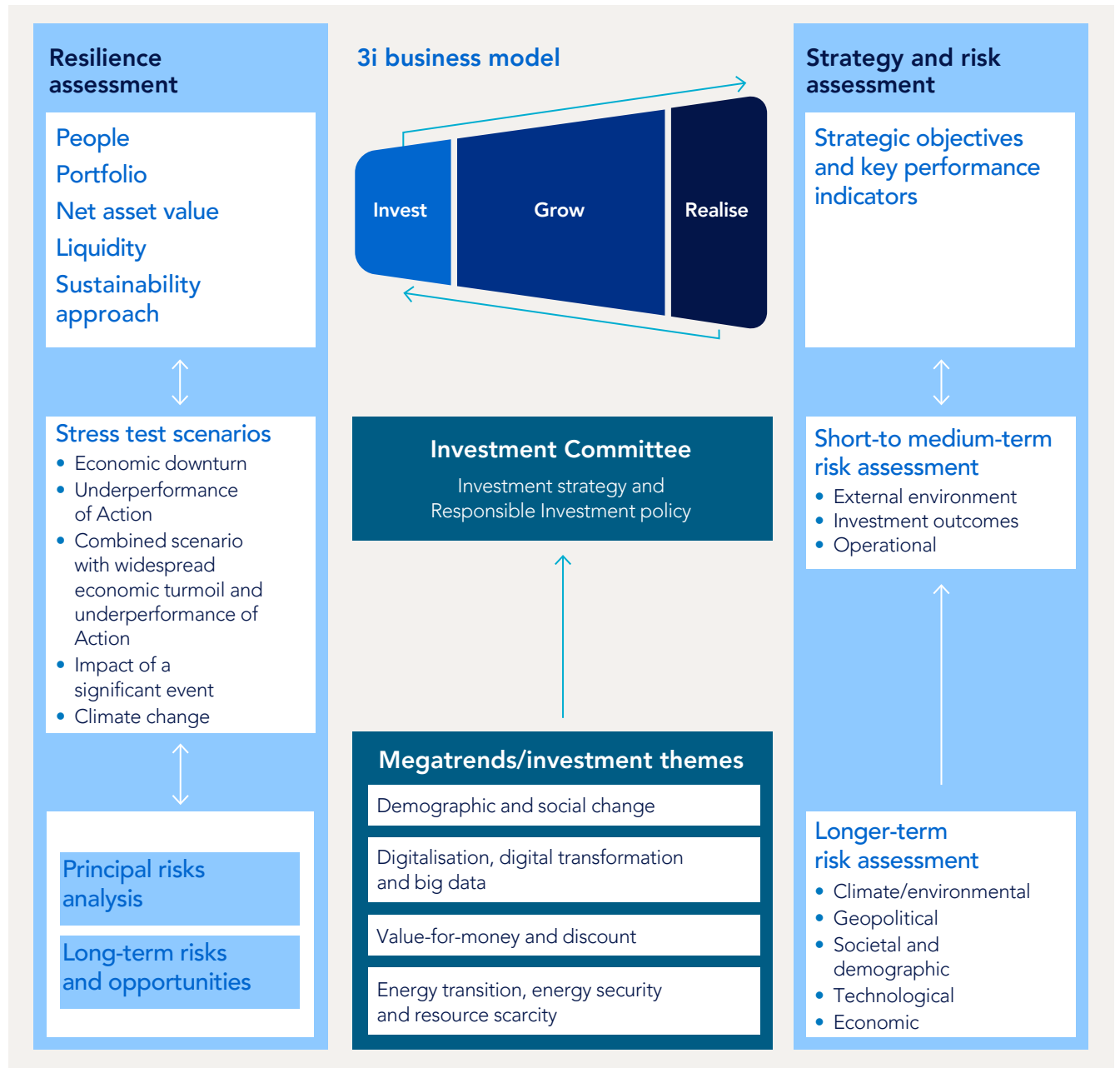
<b>Investment process</b>	<ul style="list-style-type: none"> <li>• Due diligence process</li> <li>• Investment procedures</li> <li>• Investment Committee review and approval</li> <li>• Sustainability assessment</li> <li>• Responsible Investment policy</li> </ul>	<b>People and culture</b>	<ul style="list-style-type: none"> <li>• Values framework and HR policies</li> <li>• Performance management framework</li> <li>• Remuneration policies</li> <li>• Conduct and compliance policies and monitoring</li> <li>• Succession planning process</li> </ul>
<b>Investment portfolio companies</b>	<ul style="list-style-type: none"> <li>• 3i Board representatives</li> <li>• Active management of senior appointments</li> <li>• Minimum sustainability requirements</li> </ul>	<b>Advisory relationships</b>	<ul style="list-style-type: none"> <li>• Pre-approved suppliers of investment due diligence services</li> <li>• Tendering and approval process for other advisers, eg legal, tax</li> <li>• Monitoring of performance and patronage</li> <li>• Confidentiality and conflicts management</li> </ul>
<b>Investment portfolio management</b>	<ul style="list-style-type: none"> <li>• Procedures for portfolio management</li> <li>• Monthly portfolio company dashboards and performance monitoring</li> <li>• Six-monthly investment and portfolio company reviews, including reporting against sustainability requirements</li> </ul>	<b>Third-party service suppliers</b>	<ul style="list-style-type: none"> <li>• Use of 3i's Supplier Relationship Management tool</li> <li>• Required contractual protections, eg data security and business continuity</li> <li>• Oversight and governance frameworks for critical suppliers</li> <li>• Independent service organisation reports</li> </ul>
<b>Viability and going concern</b>	<ul style="list-style-type: none"> <li>• Stress testing methodology and modelling</li> <li>• Analysis of assets and liabilities</li> <li>• Capital adequacy review process</li> <li>• Group strategy and liquidity forecasting models</li> </ul>	<b>Balance sheet management</b>	<ul style="list-style-type: none"> <li>• Treasury policy and control framework</li> <li>• Liquidity monitoring framework</li> <li>• Fund transfer and release controls</li> <li>• Portfolio concentration and vintage control monitoring framework</li> <li>• FX hedging programmes</li> </ul>
<b>Valuations process</b>	<ul style="list-style-type: none"> <li>• Approved Valuations policy</li> <li>• Investment and portfolio company review processes</li> <li>• Central oversight by the Valuations team, Investment Committee and Valuations Committee</li> </ul>	<b>Change management</b>	<ul style="list-style-type: none"> <li>• Approval process for changes to corporate structure or new products/business areas</li> <li>• Ongoing monitoring of legal and regulatory changes</li> <li>• Active participation and engagement with government, regulators and trade bodies</li> <li>• Business systems project governance and oversight</li> </ul>
<b>Financial reporting</b>	<ul style="list-style-type: none"> <li>• Framework of key financial controls and reconciliations</li> <li>• Portfolio, fund and partnership accounting processes</li> <li>• Documented analyses of complex transactions and changes in accounting requirements and disclosures</li> <li>• Operating expense budget</li> </ul>	<b>IT systems and security</b>	<ul style="list-style-type: none"> <li>• IT governance and policy framework</li> <li>• Access and data security controls</li> <li>• Back-up and disaster recovery procedures and testing</li> <li>• IT and cyber security monitoring and control framework, and regular penetration tests</li> <li>• Staff cyber security awareness training</li> </ul>

# 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](http://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

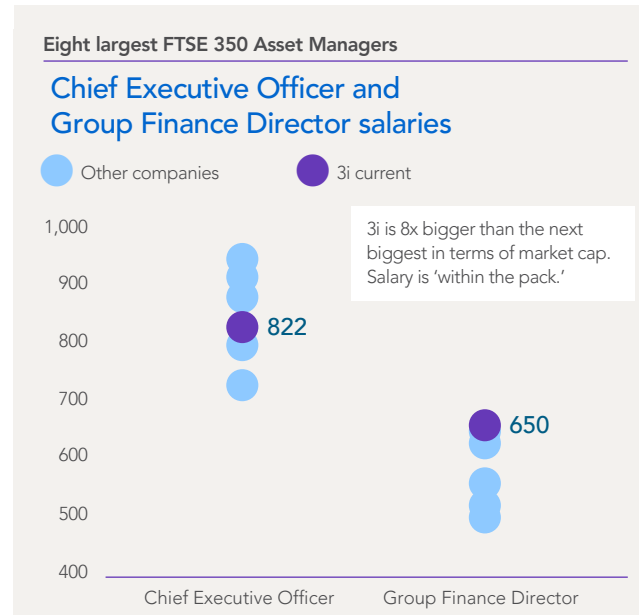
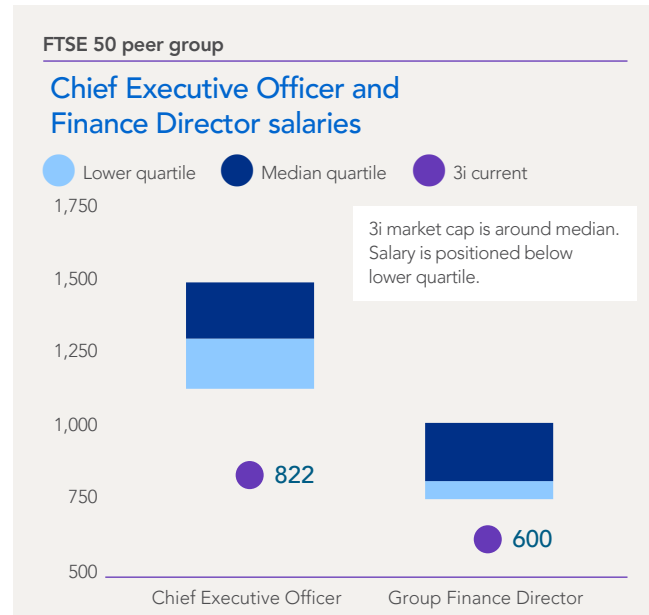
#### Market positioning

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

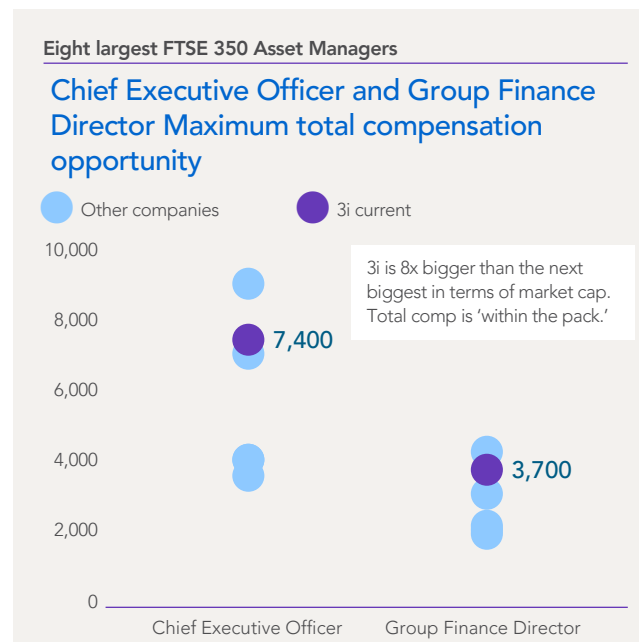
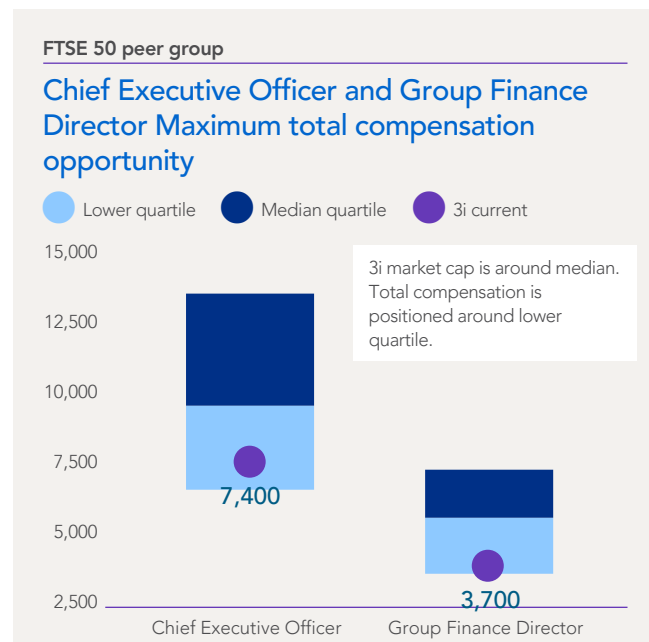
## Directors' remuneration report continued



### 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](http://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
<b>Sustainability</b>	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>
<b>Strategy &amp; People</b>	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
<b>Face value</b>	<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>
<b>Performance period</b>	1 April 2025 to 31 March 2028.
<b>Performance targets</b>	<p>50% of the award is based on absolute TSR measured over the performance period, and vests:</p> <ul style="list-style-type: none"> <li>• 0% vesting below 10% pa TSR;</li> <li>• 20% vesting at 10% pa TSR;</li> <li>• straight-line vesting between 10% and 18% pa TSR; and</li> <li>• 100% vesting at 18% pa TSR.</li> </ul> <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"> <li>• 0% vesting for below median performance against the index;</li> <li>• 25% vesting for median performance against the index;</li> <li>• 100% vesting for upper quartile performance against the index; and</li> <li>• straight-line vesting between median and upper quartile performance.</li> </ul> <p>Total shareholder returns are calculated based on the average closing share price over the first three months of the calendar year.</p>
<b>Remuneration Committee discretion</b>	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.

# 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

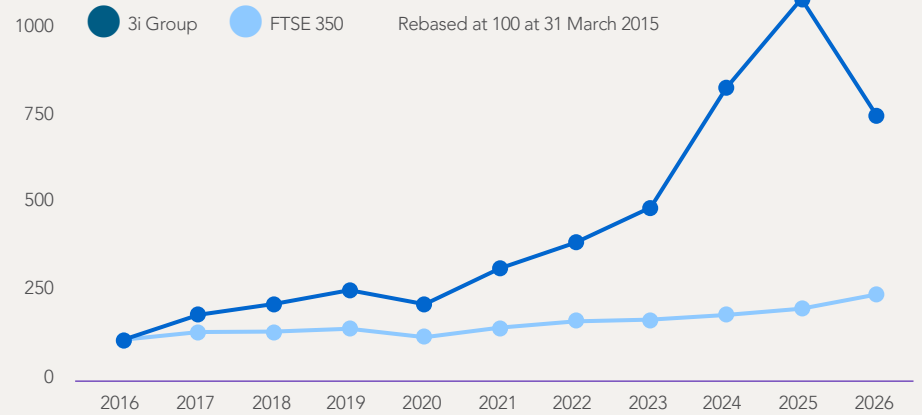
#### Table of historic Chief Executive data

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%

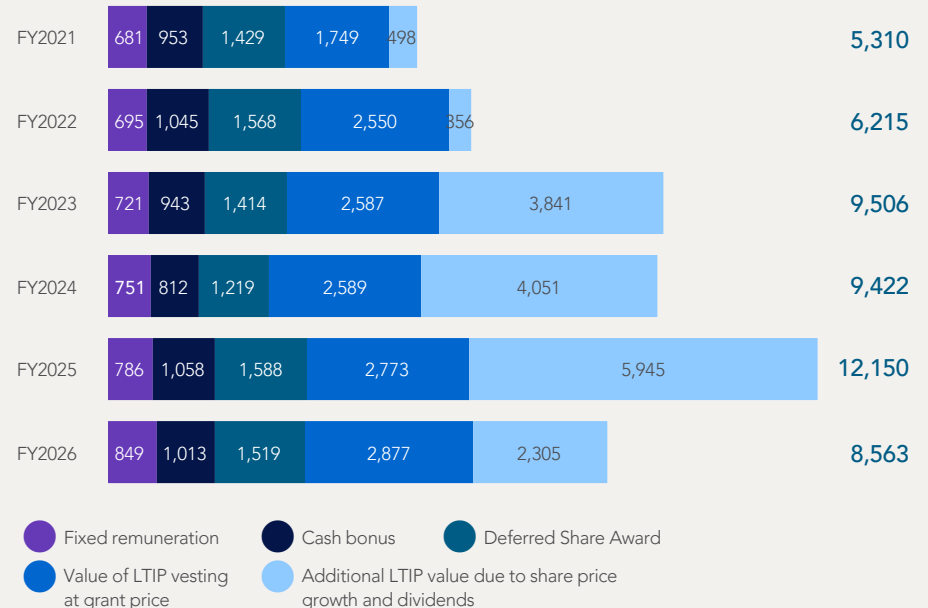
### Relative importance of spend on pay

	FY2026	FY2025	Change %
Remuneration of all employees	<b>£89m</b>	£104m	(14%)
Dividends paid to shareholders	<b>£765m</b>	£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
<b>Base salary</b>	<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"> <li>• Chief Executive: £854,880 (4.0%)</li> <li>• Group Finance Director: £624,000 (4.0%)</li> <li>• Chief Operating Officer: £500,000 (6.4%)</li> </ul>
<b>Pension</b>	<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"> <li>• Chief Executive: 12% of benefit salary (subject to a 3i earnings cap. FY2027: £233,144)</li> <li>• Group Finance Director: 12% of base salary</li> <li>• Chief Operating Officer: 12% of base salary</li> </ul> <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>
<b>Benefits</b>	<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
<b>Annual bonus</b>	<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"> <li>• Chief Executive: 400% of salary</li> <li>• Group Finance Director: 300% of salary</li> <li>• Chief Operating Officer: 300% of salary</li> </ul> <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														
<b>Long-term Incentive Plan</b>	<p>Awards under the Long-term Incentive Plan in FY2027 will be made as follows:</p> <ul style="list-style-type: none"> <li>• Chief Executive: 400% of salary</li> <li>• Group Finance Director: 300% of salary</li> <li>• Chief Operating Officer: 300% of salary</li> </ul> <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"> <li>• 0% vesting below 10% pa TSR;</li> <li>• 20% vesting at 10% pa TSR;</li> <li>• straight-line vesting between 10% and 16% pa TSR; and</li> <li>• 100% vesting at 16% pa TSR.</li> </ul> <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"> <li>• 0% for below median performance against the index;</li> <li>• 25% for median performance against the index;</li> <li>• 100% for upper quartile performance against the index; and</li> <li>• straight-line vesting between median and upper quartile performance.</li> </ul> <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>	<b>Shareholding requirements</b>	<p>Shareholding requirements will be as follows:</p> <ul style="list-style-type: none"> <li>• Chief Executive: 500% of salary</li> <li>• Group Finance Director: 350% of salary</li> <li>• Chief Operating Officer: 350% of salary</li> <li>• Non-executive Directors (including the Company Chair): 100% of base fee (cash and shares)</li> <li>• 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.</li> </ul>														
<b>Non-executive Director fees</b>		<b>Non-executive Director fees</b>	<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><b>Chair fee:</b></td> <td>£333,000 plus £93,600 in 3i shares</td> </tr> <tr> <td><b>Non-executive Directors:</b></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>	<b>Chair fee:</b>	£333,000 plus £93,600 in 3i shares	<b>Non-executive Directors:</b>		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
<b>Chair fee:</b>	£333,000 plus £93,600 in 3i shares																
<b>Non-executive Directors:</b>																	
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																

# 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
<b>Base Salary</b>			
<ul style="list-style-type: none"> <li>To provide a fixed element of pay at a level that aids the recruitment, retention and motivation of high-performing people.</li> <li>To reflect their role, experience and importance to the business.</li> </ul>	<ul style="list-style-type: none"> <li>Salaries are normally reviewed annually by the Committee, with any changes usually becoming effective from 1 July.</li> <li>These are reviewed by taking into account a number of factors, including:                             <ul style="list-style-type: none"> <li>– performance of the Company and individual;</li> <li>– wider market and economic conditions;</li> <li>– any changes in responsibilities; and</li> <li>– the level of increases made across the Company.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Whilst there is no maximum salary level, increases are generally considered in the context of those awarded to other employees and the wider market.</li> <li>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.</li> <li>The annual base salary for each Executive Director is set out in the Annual report on remuneration for the year.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Pension</b>			
<ul style="list-style-type: none"> <li>To provide contributions to Executive Directors to enable them to make long-term savings to provide post-retirement income.</li> <li>Pension contributions are provided both to support retention and recruit people of the necessary calibre.</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the defined contribution pension scheme (3i Retirement Plan) or cash equivalent, or a combination thereof.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Details for the current Executive Directors are set out in the Annual report on remuneration for the year.</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>

## Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
<b>Benefits</b>			
<ul style="list-style-type: none"> <li>To provide market competitive benefits at the level needed to attract and retain high-performing people.</li> <li>To provide health benefits to support the well-being of employees.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>The Remuneration Committee may remove benefits that Executive Directors receive or introduce other benefits if it is appropriate to do so.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>The Remuneration Committee may review the benefits for an existing or new Executive Director at any point.</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
<b>Annual bonus</b>			
<ul style="list-style-type: none"> <li>To incentivise the achievement of the Group's strategic objectives on an annual basis.</li> <li>Deferral into shares reinforces retention and enhances alignment with shareholders by encouraging longer-term focus and risk alignment.</li> </ul>	<ul style="list-style-type: none"> <li>Bonus awards are considered annually based on performance in the relevant financial year.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>Participants receive the value of dividends in cash or shares on the shares which are subject to the award.</li> <li>Awards are subject to the malus/clawback policy (as set out in the Notes on page 165).</li> </ul>	<ul style="list-style-type: none"> <li>Maximum bonus of 400% of salary for the Chief Executive.</li> <li>Maximum bonus of 350% of salary for the Finance Director and Chief Operating Officer.</li> </ul>	<ul style="list-style-type: none"> <li>Performance is assessed against a balanced scorecard which aligns with the strategic objectives of the Group.</li> <li>The targets can be a range of financial, business line specific, personal, risk and other key Group targets.</li> <li>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.</li> <li>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.</li> <li>Details of the annual performance targets/ expectations (and performance against them) are shown within the Annual report on remuneration.</li> </ul>

## Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
<p><b>Long-term Incentive Plan</b></p> <ul style="list-style-type: none"> <li>Alignment of reward with long-term, sustainable Company performance and the creation of shareholder value over the longer term.</li> </ul>	<ul style="list-style-type: none"> <li>All performance targets, along with relative weightings, are reviewed and set by the Committee.</li> <li>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.</li> <li>Awards vest subject to the Group's achievements against the performance targets over a fixed three-year period.</li> <li>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.</li> <li>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.</li> <li>Awards are subject to the malus/clawback policy (as set out on the next page 165).</li> </ul>	<ul style="list-style-type: none"> <li>Awards granted in respect of a financial year will have a face value of up to 500% of salary for the Chief Executive.</li> <li>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.</li> <li>Normally, no payment will be made for below threshold performance.</li> <li>Between 20% and 25% of the award vests at threshold performance, depending upon the performance condition.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>The achievement against these targets is measured over a three-year period and is determined by the Committee.</li> <li>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.</li> <li>The Committee can reduce any award which would otherwise vest if gross debt or gearing limits are breached.</li> <li>Details of the current performance conditions are shown within the Annual report on remuneration.</li> </ul>

## Directors' remuneration policy continued

Purpose and link to strategic objectives	Operation	Opportunity	Performance metrics
<b>Shareholding requirements</b> <ul style="list-style-type: none"> <li>To create alignment with shareholders by encouraging longer-term focus.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>In addition, shareholding targets exist for other members of the Executive Committee and for staff designated as "partners" in the Group's businesses.</li> <li>The Committee retains the ability to introduce additional retention conditions.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The shareholding targets for the Executive Directors are:                             <ul style="list-style-type: none"> <li>Chief Executive – 5.0 times salary</li> <li>Finance Director &amp; Chief Operating Officer – 3.5 times salary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>

### 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"> <li>• To attract and retain high-performing non-executive Directors of the calibre required.</li> </ul>	<ul style="list-style-type: none"> <li>• Non-executive Directors receive a basic annual fee.</li> <li>• The fee is currently delivered in a mix of cash and shares.</li> <li>• The Chairman's fee is reviewed annually by the Committee.</li> <li>• Fees are benchmarked against other companies of comparable size and against listed financial services companies.</li> <li>• The Board is responsible for determining all other non-executive Director fees, which are reviewed annually to ensure they remain appropriate.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Additional fees are paid for the following roles/duties:                             <ul style="list-style-type: none"> <li>• Senior Independent Director</li> <li>• Committee Chair</li> <li>• Committee membership</li> </ul> </li> <li>• Committee fees are payable in respect of the Audit and Compliance Committee, Remuneration Committee, Valuations Committee and other Committees where appropriate.</li> <li>• Additional fees may also be paid for other additional responsibilities or increased time commitments on a one-off or on-going basis.</li> </ul>

## 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
<b>Notice period</b>	<ul style="list-style-type: none"> <li>• 12 months' notice if given by the Company.</li> <li>• 6 months' notice if given by the Executive Director.</li> <li>• 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.</li> </ul>
<b>Dates of contracts</b>	<ul style="list-style-type: none"> <li>• Mr S A Borrows – 17 May 2012</li> <li>• Mr J Hatchley – 12 May 2022</li> <li>• Ms J Halai – 12 May 2022</li> </ul>
<b>Termination payments</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• All Directors' contracts entitle the Company to give pay in lieu of notice.</li> </ul>
<b>Remuneration and benefits</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• On termination of employment outstanding awards will be treated in accordance with the relevant plan rules.</li> </ul>

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 <sup>1</sup>	Bad leaver treatment <sup>1</sup>
<b>Deferred share awards</b>	<ul style="list-style-type: none"> <li>• Death</li> <li>• Retirement</li> <li>• Ill health, injury, disability</li> <li>• Redundancy</li> <li>• Employing company/ business ceasing to be part of 3i Group</li> <li>• "Scheduled Departure" (ie a participant leaving on such a basis and/or within a specified timeframe as agreed by the Committee)</li> </ul>	<ul style="list-style-type: none"> <li>• Awards vest in full on the normal vesting date.</li> <li>• On death, awards vest in full immediately.</li> </ul>	<ul style="list-style-type: none"> <li>• Unvested awards lapse in full.</li> <li>• Vested awards structured as options may be exercised for three months following the participant's cessation of employment.</li> </ul>
<b>Long-term Incentive Plan</b>	<ul style="list-style-type: none"> <li>• Death</li> <li>• Retirement</li> <li>• Ill health, injury, disability</li> <li>• Redundancy</li> <li>• Employing company/ business ceasing to be part of 3i Group</li> <li>• "Scheduled Departure" (ie a participant leaving on such a basis and/or within a specified timeframe as agreed by the Committee)</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• If a participant dies, the Committee will determine the extent to which awards should vest as soon as practicable following the participant's death.</li> </ul>	<ul style="list-style-type: none"> <li>• Awards normally lapse in full.</li> <li>• 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</li> </ul>

<sup>1</sup> 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

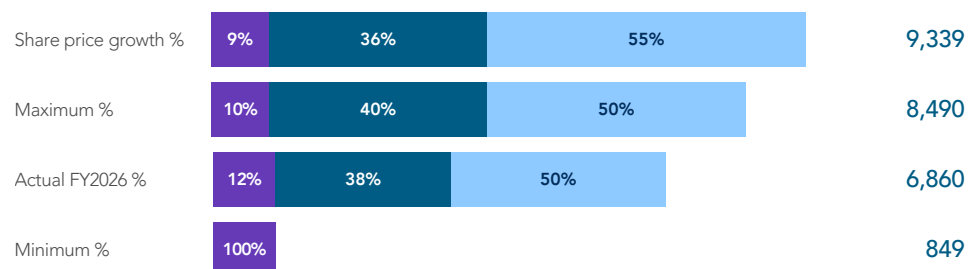
### Change of control

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.

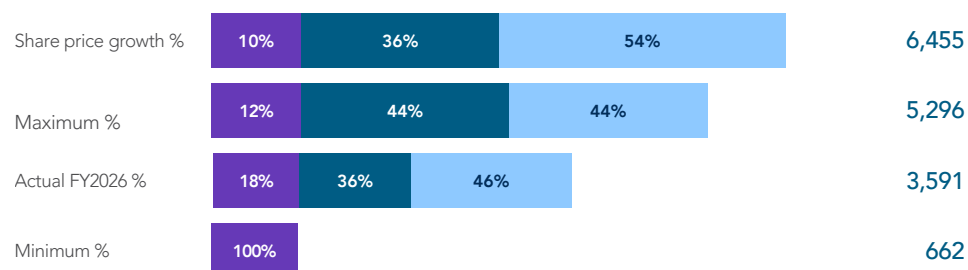
Long-term Incentive Plan awards will generally vest early on a takeover, merger or other corporate reorganisation. Alternatively, participants may be allowed or required to exchange their awards for new awards. Where an award vests early in these circumstances, the Committee will determine the level of vesting taking into account performance to that date and the proportion of the performance period that has passed.

### Scenarios

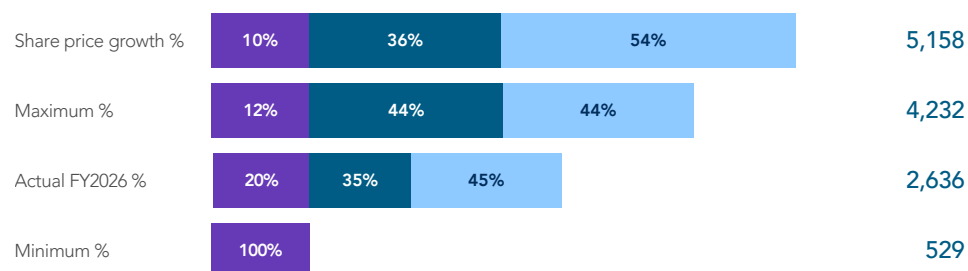
#### Chief Executive (£'000)



#### 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 cost<sup>1</sup> 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.

<sup>1</sup> 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](http://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