SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

3i Group

22 March 2024

Scope 1 and 2: 3i Group plc commits to reduce its absolute scope 1 and 2 GHG emissions 42% by FY2030 from a FY2023 base year.

Scope 3 Portfolio Targets

Headline target: 3i Group's portfolio targets cover 82% of its total investment and lending by invested capital as of FY2023. As of FY2023, required activities made up 82% of 3i Group's total investment and lending by invested capital while optional activities made up 3% and out of scope activities made up 15%.

Scope 3 asset class level targets

Asset class	Method	Target language
Electricity generation project finance	Sector Decarbonization Approach (SDA)	3i Group plc commits to continue providing electricity generation project finance for only renewable electricity through FY2030.
Private equity	SDA	3i Group plc commits to reduce GHG emissions from the electricity generation sector within its eligible private equity portfolio 68% per MWh by FY2030 from a FY2023 base year.
Listed and private equity	Portfolio Coverage	3i Group plc commits to 31% of its listed and eligible private equity portfolio by invested capital setting SBTi validated targets by FY2028 and 100% by FY2040 from a FY2023 base year.

Summary

3i Group plc will implement the following strategy and actions to achieve its scope 3 portfolio targets:

- As a majority or significant minority investor in its core portfolio companies, 3i Group plc will use its influence and engage with portfolio companies to support them to:
    - Measure and report on scope 1 and 2 GHG emissions at least annually;
    - Measure and report on material scope 3 GHG emissions at least annually when appropriate;

    - Develop decarbonization plans and set science-based targets (SBTs);
- 3i Group plc will manage its electricity generation portfolio to reduce its GHG emissions intensity as a whole;
- 3i Group plc will facilitate knowledge sharing between portfolio companies in relation to formulating decarbonisation plans and setting SBTs.

3i Group plc selected these actions because as a majority or significant minority investor, it has the influence to drive change in its portfolio companies.

By implementing the actions set out above, 3i Group plc will ensure that its portfolio companies recognise the importance of transitioning their business models and operations to align with a low carbon model.

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About the SBTi

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

We develop standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The SBTi is incorporated as a charity, with a subsidiary which will host our target validation services. Our partners are CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

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