



LEA 02	Discipline: Monetary	Principle: PRI 1, 2, 3
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	
<p>Collaborative engagements</p>	<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements 	
<p>Service provider engagements</p>	<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider engagements 	

RI TRANSPARENCY REPORT

2018

3i Group plc

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2018 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	🔒	n/a							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO PE 01	Breakdown of investments by strategy	✓	Private							✓
OO PE 02	Typical level of ownership	✓	Private							✓
OO PR 01	Breakdown of investments	🔒	n/a							✓
OO PR 02	Breakdown of assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of investments	✓	Private							✓
OO INF 02	Breakdown of assets by management	✓	Private							✓
OO INF 03	Largest infrastructure	✓	Private							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	-	n/a							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public							✓
SG End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Private	✓					✓	
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 04	Formal commitments to RI	✓	Private				✓			
PE 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 06	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	✓						
PE 09	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 10	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 12	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Private							✓
PE End	Module confirmation page	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01.1	Assurance, verification, or review	✓	Public							✓
CM1 01.2 & 01.8	Assurance of this year's PRI data	✓	Public							
CM1 01.3 & 01.9	Assurance of last year's PRI data	✓	Public							✓
CM1 01.4, 10-12	Other confidence building measures	✓	Public							✓
CM1 01.5	External assurance	🔒	n/a							✓
CM1 01.6	Assurance or internal audit	🔒	n/a							✓
CM1 01.7	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

3i Group plc

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

- Fund of funds, manager of managers, sub-advised products
- Other, specify

Further options for investment managers (may be selected in addition to the above)

- Execution and advisory services
- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United Kingdom

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

253

OO 02.4 Additional information. [Optional]

3i had 253 employees at 30 September 2017.

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

30/09/2017

OO 04.2 Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		11	549	000	000
Currency	GBP				
Assets in USD		15	596	860	130

OO 04.5 Additional information. [Optional]

as of 30/09/2017.

OO 06 **Mandatory** **Public** **Descriptive** **General**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1 Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0

Fixed income	0	0
Private equity	>50%	0
Property	0	0
Infrastructure	10-50%	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2

Publish asset class mix as per attached image [Optional].

OO 09

Mandatory to Report Voluntary to Disclose

Public

Peering

General

OO 09.1

Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Total	100%

Asset class implementation gateway indicators

OO 11	Mandatory	Public	Gateway	General
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Private equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Infrastructure

- We address ESG incorporation.
- We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Private Equity
- Infrastructure

RI implementation via external managers

Closing module

- Closing module

3i Group plc

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.

Investment principles

To only invest in businesses which are committed to:

- a cautious and responsible approach to environmental management of their business operations (and those of their supply chain) by making efficient use of natural resources and mitigating environmental risks and damage;
- respecting the human rights of their workers and of the people working in their supply chain; (ii) maintaining safe and healthy working conditions for their employees and contractors and the people working in their supply chain; (iii) treating their employees fairly; (iv) upholding the right to freedom of association and collective bargaining; and (v) treating their customers fairly and respecting the health, safety and wellbeing of those affected by their business activities;
- upholding high standards of business integrity, avoiding corruption in all its forms and which comply with applicable sanctions and anti-bribery, anti-fraud, anti-tax evasion and anti-money laundering laws and regulations; and
- a strong corporate governance and risk management culture and to complying in form and substance with established best practice in corporate governance which is appropriate to the relative size and complexity of the relevant business and the markets in which it operates.

(See below section SG 01.5 for the overall investment strategy)

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Overall investment strategy

- To make unquoted equity investments in businesses and funds in Europe and the Americas.
- To assess proposed investments individually, requiring approval from the 3i Group Investment Committee.
- To diversify risk through significant dispersion of investments by geography, economic sector, asset class and size and through the maturity profile of the investment portfolio.

3i's detailed Responsible Investment ("RI") policy sets out:

- An exclusion list of businesses/activities in which 3i will not invest
- A referral list of businesses in which 3i may invest subject to additional approval as they are particularly sensitive
- A set of minimum ESG standards that 3i expects its portfolio companies to meet, or to commit to meeting over a reasonable time period.

3i will implement its RI policy by:

- Screening all new investment opportunities against its Exclusion and Referral lists.
- At an appropriate stage in the investment process, carrying out a high level assessment of new investment proposals to identify potential material ESG risks and opportunities.
- Where potential material ESG risks are identified, evaluating management's commitment, capacity and track record in addressing ESG issues and whether specialist due diligence is required.
- Where our due diligence identifies actual material ESG risks, 3i will require the portfolio company to commit to implementing appropriate measures to mitigate those risks. Such measures may include meeting relevant International Standards (over a reasonable time frame) where these are more stringent than Applicable Laws. 3i will support the potential portfolio company to do so by developing action plans with appropriate targets, timetables and resources.

- Monitoring and recording the portfolio company's performance against agreed action plans, targets and timetables as part of 3i's portfolio review process and by encouraging and supporting the portfolio company to adapt to new ESG requirements and developments in their particular business sectors.
- Considering, at the time of exit, appropriate disclosure of material ESG matters, impacts and steps taken to manage them.

The RI policy has been fully integrated into our new investment and portfolio management processes, supported by:

- A set of RI procedures that are applied consistently across all of our investment activities
- An external specialist ESG firm conducts a review of all new investment opportunities which progress beyond the initial stage in 3i's investment process and where significant due diligence is commissioned. The specialist produces a written summary report which flags potentially material issues, areas where further diligence is required pre-investment and where further work is required to be incorporated into the 180 day plan for the period immediately post-investment
- Detailed guidance notes covering key sectors and issues, including case studies and information about international standards
- An internal RI portal and in-house resource to support investment teams

The key elements of our investment policy which cover our responsible investment approach are:

- Screening all new investment opportunities against our Exclusion and Referral lists.
- At an appropriate stage in the investment process, carrying out a high level assessment of new investment proposals to identify potential material ESG risks and opportunities.
- Where potential material ESG risks are identified, evaluating management's commitment, capacity and track record in addressing ESG issues and whether specialist due diligence is required.
- Where our due diligence identifies actual material ESG risks, 3i will require the portfolio company to commit to implementing appropriate measures to mitigate those risks. Such measures may include meeting relevant International Standards (over a reasonable time frame) where these are more stringent than Applicable Laws. 3i will support the potential portfolio company to do so by developing action plans with appropriate targets, timetables and resources.
- Monitoring and recording the portfolio company's performance against agreed action plans, targets and timetables as part of 3i's portfolio review process and by encouraging and supporting the portfolio company to adapt to new ESG requirements and developments in their particular business sectors.
- Monitoring and recording serious incidents involving portfolio companies which result in loss of life, serious injury, material effect on the environment or material breach of law and by promoting corrective actions.
- Considering, at the time of exit, appropriate disclosure of material ESG matters, impacts and steps taken to manage them.
- We expect our potential portfolio companies to (i) comply with all Applicable Laws relating to environmental, social, health and safety, extortion, bribery and corruption matters; (ii) demonstrate that they have the commitment, capacity and track record to effectively identify, monitor and manage the potential ESG risks facing their business (e.g. by having or committing to put in place: specific policies; regular reporting to the board; adequate management systems; clear assignment of responsibility; adequate training for staff and low injury and accident rates); (iii) where real, material environmental or social risks are identified through due diligence, be committed to implementing (within an agreed timeframe) appropriate measures to mitigate those risks which may include meeting relevant International Standards (where these are more stringent than Applicable Laws); and (iv) where real, material bribery risks are identified through due diligence, be committed to implementing (within an agreed timeframe) improvements or additions to their anti-bribery principles and bribery prevention procedures which are appropriate to their business and the bribery risks they face. We do not expect that all of our portfolio companies will necessarily meet all of the minimum standards immediately

following 3i's investment. However, we do expect the executive management team to be fully committed to meeting the minimum standards within a reasonable timeframe and 3i will support them to do so.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1 Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment (will be made public)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment (will be made public)

Formalised guidelines on social factors

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment (will be made public)

Sector specific RI guidelines

Screening / exclusions policy

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment (will be made public)

We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17__1_.pdf

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17_1_.pdf

Attachment

Time horizon of your investment

URL/Attachment

URL

URL

<https://www.3i.com/private-equity/approach/>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://www.3i.com/media/3338/3i-corporate-responsibility-2017.pdf>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

https://www.3i.com/media/1473/ri-policy-july-17_1_.pdf

Attachment

Active ownership approaches

URL/Attachment

URL

URL

<https://www.3i.com/private-equity/approach/>

Attachment

Reporting

URL/Attachment

URL

URL

<https://www.3i.com/media/3338/3i-corporate-responsibility-2017.pdf>

Attachment

Climate-related issues

URL/Attachment

URL

URL

<https://www.3i.com/media/3338/3i-corporate-responsibility-2017.pdf>

Attachment

We do not publicly disclose any investment policy components

SG 02.3

Indicate if your organisation's investment principles, and overall investment strategy is publicly available

Yes

URL

<https://www.3i.com/about-us/how-we-create-value/>

No

SG 03

Mandatory

Public

Core Assessed

General

SG 03.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

SG 03.2

Describe your policy on managing potential conflicts of interest in the investment process.

The overriding principle is that 3i will treat its customers fairly and will not place the interests of one customer above those of another, or its own interests above those of its customers.

3i acts at all times in accordance with the relevant regulated 3i entity's fiduciary position as manager, and applicable FCA/SEC principles and rules around treatment of regulatory customers. 3i will also at all times comply with applicable legal and regulatory requirements.

Set out below are the steps taken to manage a conflict. Appropriate records of the consideration of conflicts will be kept at all stages

1. Conflict of interest identified and information barriers put up as necessary
2. Relevant 3i leadership group member(s) and Group Compliance consider and resolve the conflict, or refer it to the 3i Conflicts Committee if necessary
3. 3i Conflicts Committee acts in a consultative role, advising on how to manage the conflict
4. Where 3i is unable to resolve a conflict fairly, clear disclosure of the conflict will be made to the relevant customer(s) to enable them to take an informed decision. 3i will seek to resolve the conflict in collaboration with the customer(s).

No

Objectives and strategies

SG 05**Mandatory****Public****Gateway/Core Assessed****General****SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

Specific objectives for responsible investment are set and monitored annually.

Governance and human resources

SG 07**Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Business line heads**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - ESG portfolio manager
 - Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Other role, specify (1)

Other description (1)

The 3i Group Risk Committee

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

SG 07.2 For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

The 3i Group Board has delegated responsibility for risk management (including the risk management aspects of responsible investment) to the Chief Executive, who established the 3i Group Risk Committee to assist him in managing this responsibility.

The 3i Group Risk Committee is chaired by the Chief Executive and comprises members of the Executive Committee, the Director, Group Compliance and the Director, Internal Audit. The Committee forms a view of the key risks facing the Group and advises the Group Board's Audit & Compliance Committee of its assessment of those risks, any changes in the Group's risk profile and the adequacy of risk mitigation steps put in place by management. The Committee receives reports from the Director, Strategic Implementation on ongoing CSR matters including: the Group's Responsible Investment policy and approach and the management of ESG risks in the investment portfolio; environmental reporting; cyber security; business continuity and any new legal obligations in the CSR area such as ESOS and the Modern Slavery Act

SG 07.3 Indicate the number of dedicated responsible investment staff your organisation has.

Number

1

Promoting responsible investment

SG 09 Mandatory Public Core Assessed PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1 Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

3i is a signatory to the Principles for Responsible Investment.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

3i has submitted data to the Carbon Disclosure Project each year since 2006

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

Dow Jones Sustainability Index

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Completion of the annual survey

- Other collaborative organisation/initiative, specify
3i is a member of the FTSE4Good index

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
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- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

	Description
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Fund management director sits on the Invest Europe Professional Standards Committee, developing their Handbook of Professional Standards

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Spoke publicly at events and conferences to promote responsible investment

Description

ESG director spoke at several events

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

SG 11	Voluntary	Public	Additional Assessed	PRI 4,5,6
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SG 11.1 | Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

- Yes
- No

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation**SG 13****Mandatory****Public****Descriptive****PRI 1**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 13.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

Asset class implementation not reported in other modules**SG 16****Mandatory****Public****Descriptive****General**

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Infrastructure	<p>3i's Infrastructure business follows the same approach to Responsible Investment and managing ESG issues as the Private Equity business. Please refer to the Private Equity module for further details.</p> <p>There is one exception to this. In 2013, 3i took over management responsibility for two portfolios of Public Private Partnership ("PPP") investments from Barclays Bank plc. A different approach is taken to portfolio monitoring of these investments due to the large number of PPP projects (over 100) and the fact that many of the underlying projects are very similar in nature (e.g. school buildings, hospitals, roads etc.) Portfolio monitoring is therefore carried out at a portfolio level rather than on an individual project-by-project basis. ESG issues across the PPP portfolio are reviewed and summarised on a quarterly basis, and any more significant issues are monitored in more detail on an asset by asset basis.</p> <p>New PPP investments follow the procedures set out in the Private Equity module.</p> <p>The effective implementation of the 3i RI Policy by the Infrastructure business is monitored internally by the 3i Group Risk Committee, and is subject to review by 3i's Internal Audit team.</p>

Communication

SG 19

Mandatory

Public

Core Assessed

PRI 6

SG 19.1

Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Private equity

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
Disclosure to public and URL	<input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <input type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other
Frequency	<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested
URL	https://www.3i.com/media/3338/3i-corporate-responsibility-2017.pdf
URL	https://www.3i.com/media/1473/ri-policy-july-17_1_.pdf

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Direct – Private Equity

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Overview

PE 02	Mandatory	Public	Core Assessed	PRI 2
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PE 02.1 Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.

- Our investment activities are guided by a responsible investment policy

PE 02.2 Describe how your organisation outlines expectations on staff and portfolio companies' approach towards ESG issues in investment activities.

ESG issues are an integral part of 3i's investment and portfolio management procedures which all staff are expected to be familiar with, and which are available to all staff on an internal portal. The procedures outline where, when and how ESG matters must be considered in the investment and portfolio monitoring processes. 3i has a suite of detailed responsible investment guidelines which are available to all 3i staff and which cover the following sectors and ESG issues:

Sectors:

Technology; Social Infrastructure and Healthcare; Business and Financial Services; Consumer Industries; Industrials and Energy;

Specific ESG issues:

Supply Chains and Transport; Environment; Human Rights; Labour Issues; Climate Change

The guidelines were prepared, and are updated, by an external ESG consultant as required. They were last subject to an update in July 2017.

The guidelines underpin the minimum ESG standards set out in 3i's Responsible Investment policy which, in turn, reflect international standards such as the IFC Performance Standards & Guidelines and the ILO Fundamental Conventions.

The guidelines apply throughout 3i's investment process, from initial investment through portfolio monitoring to final exit. The guidelines are aimed at 3i's investment teams but are available to all staff.

- Our investment activities are not guided by a responsible investment policy
- We do not have a responsible investment policy

Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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PE 03.1 Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.

- Yes
- No
- Not applicable as our organisation does not fundraise

Pre-investment (selection)

PE 05	Mandatory	Public	Gateway	PRI 1
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PE 05.1	During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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Yes

PE 05.2	Describe your organisation's approach to incorporating ESG issues in private equity investment selection.
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The 3i investment selection process can be broken down into three key stages; Early stage, Due diligence and Investment. Consideration of ESG issues occurs at each stage in the investment process to ensure that new investment opportunities meet the minimum standards required of 3i portfolio companies. The process is followed consistently across the Private Equity business, there are no differences in how ESG issues are considered across sectors or geographic regions. ESG is an agenda item at each stage in the investment decision process.

Early Stage

- The opportunity is screened against 3i "exclusion and referral" lists, which identify businesses and activities in which 3i will not invest and those which are particularly sensitive or potentially involve material reputational issues and may necessitate more in-depth due diligence or risk assessment and require approval from 3i's CEO and General Counsel before the opportunity can be progressed
- The deal team provides confirmation that the new opportunity is not covered by the "exclusion and referral" lists

Due diligence

- When a new opportunity reaches an advanced stage in the 3i investment process (typically the point at which 3i commits significant resource and cost to external due diligence), a specialist external ESG advisor completes a high-level review of the opportunity from an ESG perspective. The advisor reviews any relevant documents relating to the target business which are available at that stage (typically information memoranda and vendor due diligence reports), and discusses the business with the 3i investment team. Following this, the adviser produces a written report which highlights any potentially material issues and any areas where further diligence is advised pre-investment, or where further work is advised in the 6 month period immediately following investment
- Any potentially material issues raised by the advisor are discussed during Partner Review meetings and/or at the Investment Committee
- Where 'deep dive' ESG due diligence is advised, the broad objective of this ESG due diligence (in addition to any specific ESG issues identified by the initial high-level review as warranting further more detailed and targeted investigation) is to confirm that the potential investee company complies with all applicable local laws relating to environmental, social, health and safety, extortion, bribery and corruption matters, and that the management can demonstrate that it has the commitment, capacity and track record to effectively identify, monitor and manage the potential ESG risks facing its business

Following 3i's investment

- Where 3i's due diligence has identified actual, material environmental, social or governance risks, 3i may require the company to commit to implementing appropriate measures to mitigate these risks (over a reasonable time frame), including meeting relevant international standards where these are more stringent than applicable local laws. 3i will support the company to do this by developing action plans with appropriate targets, timetables and resources
- Where appropriate, conditions may be included into the legal documents and relevant actions to be addressed in the 180 day plan in respect of ESG issues
- 30 days after investment a formal review is undertaken. This includes current trading and outlook, review of the Board and management and the scope, content and timetable for the 180 day post-investment

action plan. A formal review of the progress of the 180 day plan is then carried out after 90 days and 180 days

No

PE 06	Mandatory	Public	Core Assessed	PRI 1,3
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PE 06.1	Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.
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- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

PE 06.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
---------	---

Since 2016, as part of our PE investment process, we have a high-level review by an external firm of specialist consultants who review the investment papers prior to extensive due diligence being commissioned. They have a call with the investment team to discuss the business and this is followed up with a written high-level report and summary of potential ESG issues which should be investigated more thoroughly in due diligence or addressed immediately post investment as part of the 180 day plan. If the high-level report identifies potentially material ESG issues which warrant more detailed investigation prior to investment, 3i will engage specialist due diligence providers to carry out this 'deeper dive' due diligence. The key findings of the high-level ESG report are summarised in the body of the investment paper along with the results of any 'deeper dive' ESG due diligence as well as 'risk matrix' document which accompanies the investment paper. The material due diligence issues (including any ESG issues) are considered by the Investment Committee, which may raise questions with the investment team and/or require further work to be done if it sees fit. The full ESG report is also appended to the investment paper.

Post-investment (monitoring)

PE 09	Mandatory	Public	Gateway/Core Assessed	PRI 2
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PE 09.1	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
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Yes

PE 09.2

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 09.3

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

- Environmental

List up to three example targets of environmental issues

Does the company have an adequate policy on pollution and greenhouse gas emissions?

Does the company have an adequate policy on waste production?

Does the company have an adequate policy on use of non-renewable resources?

- Social

List up to three example targets of social issues

Does the company have an adequate health and safety policy?

Are suppliers subject to independent accreditation?

Does the company have a supplier code of conduct in place? How many suppliers have agreed to it?

- Governance

List up to three example targets of governance issues

Does the company have a separate audit and compliance committee?

Does the company have an independent chairman?

Does the company have a whistle-blowing policy in place?

- We do not set and/or monitor against targets

- No

PE 09.4

Additional information. [Optional]

ESG issues are considered in the investment monitoring of all portfolio companies across 3i's PE business. Portfolio Company Review ("PCR") meetings are held for each company in 3i's portfolio on a semi-annual basis. This is the key forum to monitor and direct the investment strategy. The objectives of the review process are to:

- Re-evaluate asset investment thesis
- Review company strategy and management
- Review/adjust current fair value
- Conduct exit planning and value forecasting

Attendees of the meeting include:

- 3i Group CEO, CFO or Strategy Director
- 3i Group NXDs
- Chairman
- Nominated partners
- Deal team
- Country head
- Sector executive
- BLN and Banking teams
- PE operations Director and Fund Investor Relations team

ESG is a fixed item on the agenda of these meetings. In advance of the meeting the deal team prepares an ESG questionnaire which highlights any risks or issues which need to be addressed, and records progress against previously identified ESG risks and opportunities. Any material ESG matters are discussed at the PCR and, if relevant, actions are agreed. In the PCR forum, attendees can question and challenge each portfolio company's approach to ESG to ensure consistency and shared best practice across the portfolio.

Ad-hoc PCR meetings are also arranged as required.

PE 10	Mandatory	Public	Core Assessed	PRI 2
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PE 10.1	Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).
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- Yes

PE 10.2	Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).
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- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

- No

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Assurance

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Assurance

CM1 01.1	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
----------	---

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

CM1 01.2 & 01.8	Mandatory	Public	Descriptive	
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CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?
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- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 01.3 & 01.9	Mandatory	Public	Descriptive	General
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CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
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- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

CM1 01.4, 10-12	Mandatory	Public	Descriptive	General
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CM1 01.4

We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
3i engaged Carbon Credentials Energy Services Ltd for the independent verification of direct and indirect carbon dioxide equivalent emissions provided to the Carbon Disclosure Project.
- None of the above

CM1 01.7

Mandatory

Public

Descriptive

General

CM1 01.7

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)

CM1 01.13

Additional information for all confidence building measures [OPTIONAL]

Whole report reviewed by ESG director and Fund Investor Relations team - some sections confirmed with Infrastructure and Operations teams.