



Active ownership
driving sustainability
and managing risk

Sustainability and Risk

Sustainability

We support portfolio companies to turn their sustainability ambition into practical progress and long-term value creation.

We continue to take an active ownership approach, using our influence to support portfolio companies in growing their sustainability maturity.

The Sustainability team works in partnership with the investment and portfolio management teams to define and deliver sustainability strategies, shaped by what is material to each business.

We seek to embed strong sustainability governance at board level through regular oversight of key sustainability topics, formal approval of sustainability strategies and clear accountability for appropriate resourcing and delivery.



Our approach balances portfolio company ownership of developing and delivering sustainability initiatives with the effective leveraging of 3i's in-house expertise. This balance varies according to each company's positioning, sustainability maturity and strategic priorities.

Our three key sustainability themes continue to underpin our engagement across the portfolio and reflect our sustained focus amid an evolving regulatory landscape.



Carbon and climate



Strategy and leadership



Health & safety and people

The Sustainability team continues to provide bespoke support to portfolio companies through direct work with management teams and collaborative workstreams to develop approaches to, amongst other topics, health and safety, decarbonisation, governance, climate risk, and reporting. The team also continues to support the 3i Infrastructure investment team on sustainability due diligence for all acquisitions and exits, with a structured approach aligned to relevant industry frameworks and fully embedded in the diligence process.

Responsible investing

3i's Responsible Investment ('RI') policy sets out the types of businesses in which 3i will not invest, as well as minimum requirements in relation to sustainability matters, which we look for our portfolio companies to either meet or aim to meet over a reasonable time period unless they are deemed not suitable or applicable for a specific business. These cover multiple key areas, including safe and fair working conditions, environmental management, business integrity and strong governance.

We screen all new investments against the RI policy. We monitor adherence to, and progress towards meeting, 3i's expectations on a regular basis.

We assess sustainability risks and opportunities at every stage of the investment lifecycle. Sustainability due diligence is undertaken on all potential new investments ensuring that material factors are identified prior to investment. During ownership, we implement robust plans to strengthen sustainability maturity, mitigate risks and capture opportunities through to exit.

The RI policy is reviewed regularly. Further details, along with the Investment Manager's other sustainability policies, are available on the 3i Group website: www.3i.com/sustainability.

Sustainability continued

Portfolio engagement spotlight

We facilitate practical progress through shared portfolio-wide learning.

Sustainability Forum

In June 2025, 3i held its second Sustainability Forum in Paris, welcoming representatives from over 20 3i portfolio companies to a two-day event, including seven from the 3iN portfolio. The forum combined inspirational speakers, practical insights and peer networking.

This interactive event provided sustainability leads from portfolio companies with an update on the Investment Manager's priorities and goals, alongside training delivered by specialist third parties. External speakers shared insights on delivering ambitious sustainability strategies, while the programme also created opportunities for relationship building and the exchange of best practice across the network.



Key topics in 2025 reflected the most material issues for the portfolio and the evolving sustainability landscape at an industry level. These included guidance on the effective development and delivery of sustainability strategies, alongside an expert-led session on nature for business.

Reflecting our priority focus on health and safety, the programme also included an immersive session highlighting the importance of organisational safety culture. Portfolio companies further contributed through case studies and group work focused on decarbonisation.

“
Inspirational presentations and thought-provoking tangible takeaways. One highlight was the networking and sharing of ideas.

Sustainability Forum attendee feedback

Sustainability leaders in the portfolio

The Sustainability team works closely with sustainability leaders at portfolio companies to support them in delivering progress against agreed goals.

“
Engaging with 3i and other portfolio companies enables us to share ideas and improve performance.



Director of HSQEC and Sustainability, Infinis

Su Ruthven is responsible for embedding high standards of operational excellence and responsible practice throughout Infinis' operations. With extensive experience in regulated and safety-critical environments, and over 20 years' experience at Infinis, she provides strategic oversight of risk management, compliance and continuous improvement initiatives, with a particular focus on health and safety.

Group QHSE & Sustainability Manager, Tampnet

Simon Grapes leads Tampnet's approach to quality, health, safety and environmental standards across its offshore network. With 20 years of experience in safety-critical environments, he drives continuous improvement in performance, supporting initiatives to enhance energy efficiency and reduce emissions, while strengthening compliance and embedding responsible business practices across the organisation.



“
3i has helped us build on our strong foundations and drive ongoing improvements.

Sustainability continued

Our strategic Sustainability focus areas

Our strategic focus areas



Carbon and climate



Strategy and leadership



Health & safety and people



Carbon and climate

Considerations of the potential impacts of climate change and the transition to a low-carbon economy remain key focus areas for the Investment Manager and its engagement strategy.

We continue to enhance GHG emissions data, increase the adoption of science-based emissions reduction targets ('SBTs') across the 3i Infrastructure portfolio, and deepen our understanding of climate risks and mitigation.

As of 31 March 2026, for the first time, 100% of portfolio companies (by number) reported Scope 3 emissions* along with Scope 1 and 2. In FY27, engagement will focus on broadening coverage of Scope 3 categories.

SBTi progress

In March 2024, 3i Group Plc set SBTi-validated science-based emissions reduction targets, covering both direct emissions and downstream indirect emissions associated with all the portfolio companies that 3i manages. In FY25, Ionisos and Joulz received SBTi validation of their science-based targets.

In FY26, SRL and TCR also received SBTi validation of their targets. In FY27, the Sustainability team will continue working with portfolio companies to develop science-aligned targets and facilitate the submission of reduction targets to the SBTi for validation.



Nature

In FY26, the Sustainability team facilitated upskilling for members of the Investment Manager's investment team and portfolio companies on the concept of 'Nature for business', in collaboration with an external biodiversity specialist.

The session highlighted that nature can affect companies through supply chain and operational disruptions, increased costs of raw materials and heightened regulatory requirements.

The training addressed how business activities impact and depend upon nature, examined the connection to business risk and introduced a framework for integrating nature considerations into asset management and due diligence processes. In FY27, the Sustainability team will continue to engage with portfolio companies on this topic.

Portfolio companies with targets validated by the SBTi



Climate risks

In FY26, following the procurement of a specialist software tool for climate and nature risk screening, the Investment Manager initiated a portfolio-wide monitoring programme. The programme's scenario-based findings are helping to enhance the climate risk assessments already completed by portfolio companies where available, or to initiate a discussion where not in place. This work will continue into FY27.

We ask each portfolio company's board to review climate risks at least annually, and these climate-related risks and opportunities are also incorporated into risk registers where relevant. Where material risks are identified, companies are expected to implement suitable adaptation and mitigation measures.

*100% of portfolio companies (by number) measure some Scope 3 categories. They do not all have a complete Scope 3 baseline.



Please see the TCFD product report for a complete TCFD disclosure for 3iN

Sustainability continued

Our strategic Sustainability focus areas continued



Strategy and leadership

Against an evolving landscape of macro trends and regulations, developing an approach to emerging themes is key.

The Investment Manager has continued to prioritise engagement with portfolio companies regarding governance, oversight and preparedness for future challenges. Portfolio companies are encouraged to assign responsibility for sustainability at both board and executive levels, ensuring appropriate allocation of resources. Linking executive remuneration to sustainability objectives remains a valuable mechanism for promoting accountability and supporting the achievement of targets. Each asset investment team includes a sustainability lead who works in partnership with the Sustainability team to monitor progress, address incidents where necessary and provide comprehensive support to management teams on material sustainability matters.

Portfolio companies are also encouraged to undertake materiality assessments to identify the sustainability issues most relevant to their activities. Recent amendments to the Corporate Sustainability Reporting Directive ('CSRD') mean that most portfolio companies do not fall directly within scope. Double materiality assessments nonetheless remain best practice.

Undertaking such assessments irrespective of regulatory requirements can provide valuable insight into impacts, risks and opportunities, supporting the development of appropriate strategies and target setting within each company's operating context. The Investment Manager continues to support portfolio companies in developing and regularly refining robust sustainability strategies that reflect identified priorities and progress towards clearly defined targets, alongside producing appropriate public sustainability disclosures.

91%

of portfolio companies have a Sustainability strategy



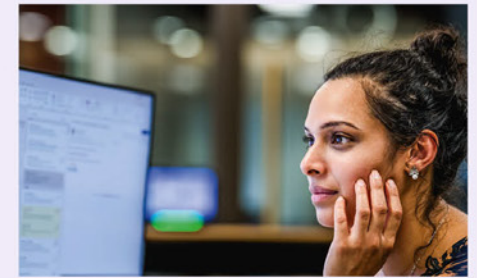
Health & safety and people

The health and safety of 3i Infrastructure portfolio companies' employees, and of those affected by their activities, remains the Investment Manager's highest priority.

Each portfolio company board is responsible for monitoring and oversight of health and safety matters. Serious incidents are escalated to the Investment Manager.

The Investment Manager encourages portfolio companies to set clear leading and lagging indicator targets and reviews performance against these regularly, based on data tracked by management on an ongoing basis. This monitoring enables trends to be identified promptly and addressed directly with management teams if performance falls short of expectations.

In addition, annual health and safety performance data is collected through the Sustainability survey to support portfolio-wide analysis and disclosure. During the year, focused attention from several portfolio company boards has supported continuous improvement in safety culture and strengthened oversight of the higher-risk activities inherent in an infrastructure portfolio.



73%

of portfolio companies decreased or maintained their lost time injury frequency rate ('LTIFR') in 2025 vs. 2024

The Investment Manager also strengthened its approach to human rights during the year, enhancing existing policies and continuing engagement with portfolio companies on this topic where it is most material.

Gender diversity amongst portfolio company employees, senior management teams and boards continues to be monitored, recognising the broader challenges associated with improving representation in the infrastructure sector. Looking ahead to FY27, the Investment Manager plans to undertake active engagement with Human Resources leaders across the portfolio to facilitate the sharing of insights and best practices across employee-related topics.

Sustainability continued

Health and Safety spotlight – examples

Health and Safety ('H&S') remains our highest priority.

We expect companies to prioritise H&S appropriately at board level supported by detailed reporting, including information regarding near misses and subcontractor lost time incidents.

Our portfolio companies continue to develop their approach with innovative initiatives, including the following examples.



Developing a comprehensive Safety strategy

Infinis has updated its Sustainability strategy to reference its enhanced approach to H&S, which is set out in a standalone H&S strategy and reflects the company's position at the forefront of this critical area. The H&S strategy establishes four Safety categories: Personal, Process, Environmental and Mind. Operating in traditionally male-dominated engineering and energy sectors, Infinis considers mental health a clear priority and an integral part of its H&S approach. Mental wellbeing is treated as non-negotiable, with clear expectations, support mechanisms and leadership engagement to embed it alongside physical safety.



Improving Health and Safety culture

Ionisos has initiated a project to further develop its safety culture, in partnership with a trusted third-party adviser. Operating in a heavy industrial environment, the business actively promotes H&S as a shared responsibility across all levels of the organisation. The first phase of the programme has focused on training throughout the organisation, with emphasis on leadership, increased awareness and understanding of safety expectations. As a result, safety leadership has been further embedded, with increased visibility from the senior team and more frequent and structured site safety visits focused on engagement, observation and reinforcing best practice.



Ensuring continuous improvement

Future Biogas has continued to strengthen its approach to H&S. A mobile-enabled incident reporting app has improved real-time reporting, traceability and response across a geographically dispersed workforce, supporting a stronger reporting culture. Proactive annual engagement with the agricultural supply chain has reinforced a clear zero-tolerance approach to unsafe behaviour. As an owner-operator, targeted investment in simple, effective safety improvements has further reduced risk and embedded a positive safety culture.



Sustainability continued

Sustainability in action – examples

TCR exit process

Delivering value throughout the investment cycle

The sale of TCR highlighted the value of embedding sustainability within a portfolio company's strategy, particularly where the business model is benefitting from the energy transition. TCR plays a key role in supporting the aviation sector to decarbonise ground services operations through the electrification of airport infrastructure and equipment.

Throughout 3i's investment period, sustainability was embedded in TCR's operating model through its '3x3' Sustainability strategy, which sets out the company's key areas of ambition across three pillars: Planet, People and Integrity.

This approach reflected 3i's responsible ownership model and ensured that sustainability considerations were integrated into day-to-day operations and long-term decision making.

As a result, at the time we realised our investment the business had a mature sustainability profile across a broad range of environmental, social and governance areas fully aligned with its commercial strategy. This included strong health and safety performance, validated science-based emissions reduction targets and robust governance practices. Together, these supported commercial wins, operational resilience, regulatory alignment and long-term value creation.



Using innovative technology to further understanding of biodiversity

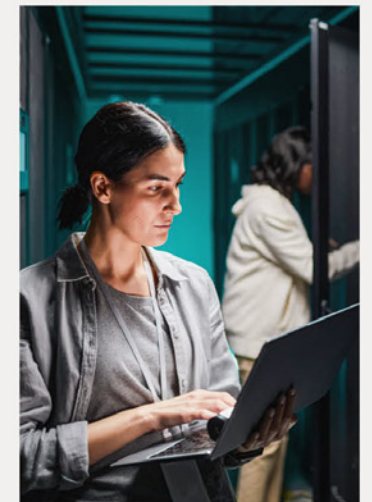
Future Biogas is undertaking ongoing on-site biodiversity monitoring. Working with innovative partners, this includes recording bird sounds and using both AI and ornithological expertise to identify species present, alongside monitoring pollinator activity through acoustic sensors.

This work will establish a biodiversity baseline across sites by monitoring seasonal patterns in bird and pollinator activity, while assessing how on-site and surrounding planting influences species composition. The data will contribute to national and global datasets, supporting a broader understanding of biodiversity trends. Biodiversity is critical to the agricultural supply chain, and Future Biogas, as a business operating within this landscape, has an important role to play in supporting and enhancing it.



Continuing to recruit and retain a diverse workforce in a global organisation

FLAG has continued to improve its workforce diversity in FY26 through continued focus on hiring diverse candidates, reviewing gender pay outcomes as part of its fair and equitable compensation practices, supporting initiatives such as 'Women in Tech' and launching a Women's Voice Survey to capture on-the-ground feedback from female colleagues. Female representation across the workforce increased from 21% in FY24 to 32% in FY26.



Sustainability continued

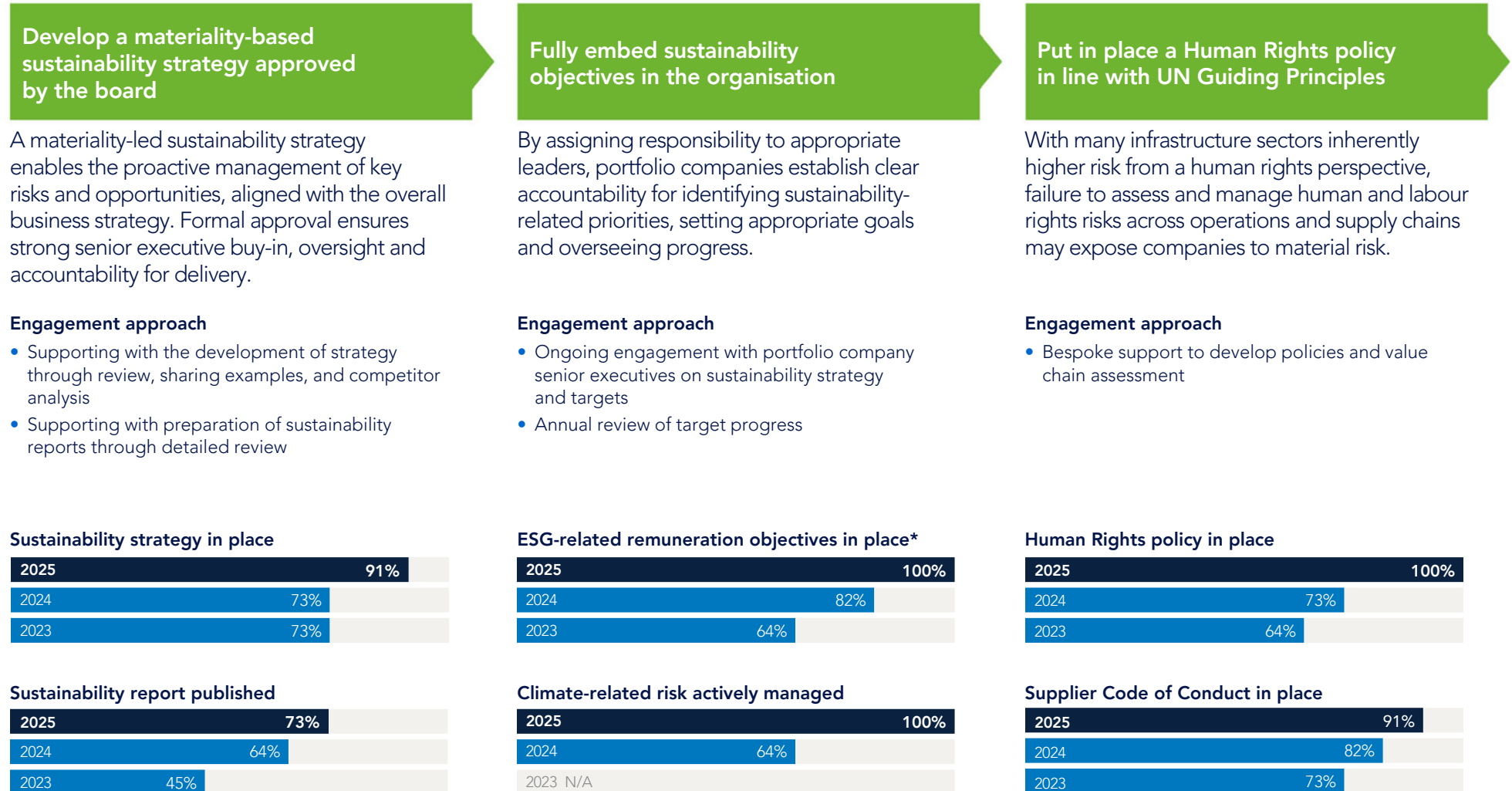
Our sustainability pathway guides companies as they progress sustainability maturity during our ownership

<div data-bbox="152 379 748 531" data-label="Section-Header"> <h3>Promote governance across the business that aligns with best practice</h3> </div> <div data-bbox="138 539 622 713" data-label="Text"> <p>Effective governance supports sound decision making and risk management. It enables an asset to be managed in a responsible, transparent and sustainable manner.</p> </div> <div data-bbox="138 780 407 812" data-label="Section-Header"> <h4>Engagement approach</h4> </div> <div data-bbox="138 817 723 976" data-label="List-Group"> <ul style="list-style-type: none"> • Review of policies, including updated anti-fraud policies due to recently implemented UK legislation • Support to comply with incoming regulations • Promote alignment on priorities and notably the importance of health and safety </div> <div data-bbox="138 1059 515 1091" data-label="Section-Header"> <h4>Recommended policies in place*</h4> </div> <div data-bbox="138 1096 712 1209" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>98%</td> </tr> <tr> <td>2024</td> <td>88%</td> </tr> <tr> <td>2023</td> <td>84%</td> </tr> </table> </div> <div data-bbox="138 1259 497 1291" data-label="Section-Header"> <h4>H&S first on the board agenda</h4> </div> <div data-bbox="138 1294 712 1407" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>100%</td> </tr> <tr> <td>2024</td> <td>91%</td> </tr> <tr> <td>2023</td> <td>64%</td> </tr> </table> </div>	2025	98%	2024	88%	2023	84%	2025	100%	2024	91%	2023	64%	<div data-bbox="801 379 1397 531" data-label="Section-Header"> <h3>Identify appropriate senior individuals to lead on sustainability</h3> </div> <div data-bbox="792 539 1328 716" data-label="Text"> <p>By assigning responsibility to appropriate leaders, portfolio companies establish clear accountability for identifying sustainability-related priorities, setting appropriate goals and overseeing progress.</p> </div> <div data-bbox="792 780 1061 812" data-label="Section-Header"> <h4>Engagement approach</h4> </div> <div data-bbox="792 817 1337 908" data-label="List-Group"> <ul style="list-style-type: none"> • Annual in-person Sustainability Forum for the portfolio sustainability leads to meet each other and receive tailored upskilling </div> <div data-bbox="792 1059 1211 1091" data-label="Section-Header"> <h4>Resource dedicated to sustainability</h4> </div> <div data-bbox="792 1096 1361 1209" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>91%</td> </tr> <tr> <td>2024</td> <td>91%</td> </tr> <tr> <td>2023</td> <td>91%</td> </tr> </table> </div> <div data-bbox="792 1259 1272 1291" data-label="Section-Header"> <h4>Sustainability topics on the board agenda</h4> </div> <div data-bbox="792 1294 1361 1407" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>100%</td> </tr> <tr> <td>2024</td> <td>100%</td> </tr> <tr> <td>2023</td> <td>N/A</td> </tr> </table> </div>	2025	91%	2024	91%	2023	91%	2025	100%	2024	100%	2023	N/A	<div data-bbox="1456 379 2051 531" data-label="Section-Header"> <h3>Measure GHG emissions and develop decarbonisation strategies aligned with SBTi where possible</h3> </div> <div data-bbox="1442 539 1980 679" data-label="Text"> <p>By implementing a plan to decarbonise, portfolio companies can demonstrate preparedness for long-term value creation in a low-carbon economy.</p> </div> <div data-bbox="1442 780 1718 812" data-label="Section-Header"> <h4>Engagement approach</h4> </div> <div data-bbox="1442 817 2024 1035" data-label="List-Group"> <ul style="list-style-type: none"> • Review of GHG emissions calculations and associated methodological queries • Introduction of portfolio company teams to specialist advisers for GHG emissions calculations and independent certification bodies for GHG emissions auditing, to improve data quality • Bespoke support to prepare SBTi applications </div> <div data-bbox="1442 1059 1794 1091" data-label="Section-Header"> <h4>Report Scope 1, 2 and 3 data</h4> </div> <div data-bbox="1442 1096 2024 1209" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>100%</td> </tr> <tr> <td>2024</td> <td>91%</td> </tr> <tr> <td>2023</td> <td>91%</td> </tr> </table> </div> <div data-bbox="1442 1259 1805 1291" data-label="Section-Header"> <h4>SBTi validated targets in place</h4> </div> <div data-bbox="1442 1294 2024 1407" data-label="Figure"> <table border="1"> <tr> <td>2025</td> <td>36%</td> </tr> <tr> <td>2024</td> <td>18%</td> </tr> <tr> <td>2023</td> <td>0%</td> </tr> </table> </div>	2025	100%	2024	91%	2023	91%	2025	36%	2024	18%	2023	0%
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Figures show percentage of companies by number as at 31 December. The 2023 figures exclude Valorem (exited in FY25). Where 2023 data is not provided a comparable is not available due to changes in data collection.
 * Reflects the proportion of recommended governance policies implemented within each company, aggregated across the portfolio. Recommended policies include health and safety, anti-bribery and corruption, data protection, cybersecurity, sanctions, whistleblowing, human rights, business continuity, anti-financial crime and anti-trust.

Sustainability continued

Our sustainability pathway guides companies as they progress sustainability maturity during our ownership continued



Figures show percentage of companies by number as at 31 December. The 2023 figures exclude Valorem (exited in FY25). Where 2023 data is not provided a comparable is not available due to changes in data collection.
 * Includes companies with a CEO in role as at 31 December 2025.

Risk report



Our consistent risk governance framework underpins our delivery of long-term sustainable returns.

Martin Magee
Chair, Audit and Risk Committee

The Company has continued to deliver resilient performance during the year, despite a challenging geopolitical and macroeconomic environment.

While the majority of the portfolio has performed in line with expectations, a deterioration in financing conditions within the German fibre roll-out sector resulted in the Company's investment in DNS:NET being written down to zero. This is discussed in further detail on page 35.

Across the listed infrastructure sector, shares have continued to trade at discounts to NAV, reflecting the impact of higher interest rates, notwithstanding recent reductions in base rates. This has restricted listed infrastructure trusts from issuing new shares and accessing new equity.

Net debt increased from £256 million to £531 million during the year. The increase in the RCF of £300 million, bringing total committed credit facilities to £1.2 billion, and the sale of TCR, which is expected to complete in Q3 2026, is anticipated to materially strengthen the Company's balance sheet and liquidity position.

In these circumstances, the Audit and Risk Committee (the 'Committee') has worked closely with the Investment Manager to assess and understand the implications of these developments on the Company's principal, key and emerging risks.

Actual and potential changes in the macroeconomic environment were considered at each Committee meeting during the year. In particular, the impact of evolving geopolitical events was analysed and discussed in detail at the Committee's most recent meeting in April 2026.

The Company's liquidity position was monitored throughout the year, reflecting its importance to the resilience of the business model. In addition, the Board and the Committee received regular market insight from the Company's brokers and other advisers regarding trading conditions for the Company's shares.

The Committee oversees a comprehensive risk management framework designed to systematically identify, assess and monitor the principal, key and emerging risks facing the Company. This framework supports informed decision making by the Board in relation to performance, liquidity, capital structure and the sustainability of the Company's business model.

Risk report continued

Risk framework



Risk-related reporting

Internal

- Monthly management accounts
- Internal and external audit reports
- Service provider control reports
- Risk logs
- Compliance reports
- Risk-related reporting

External

- Risk appetite
- Viability statement
- Resilience statement
- Internal controls
- Going concern
- Statutory/ accounting disclosures

Despite the ongoing geopolitical and economic challenges, the Company has delivered good results during the year. This performance reflects disciplined and adaptive decision making, underpinned by the consistent application of the Company's risk management processes. The Board remains confident that this robust framework is fundamental to maintaining the Company's strong long-term track record.

During the year, the Committee and the Investment Manager undertook the second year of a three-year rolling programme of risk reviews. This process is designed to identify and assess the impact and likelihood of the principal, key and emerging risks relevant to the Company.

A number of risks were reassessed to reflect developments during the year, and the register of emerging risks was refreshed. As a result, the risk register and risk matrix were updated, and the alignment of the identified principal risks with the Company's strategic objectives was reviewed. This process is described in further detail on page 61.

The following sections set out the Company's approach to risk identification and management. They describe the principal risks facing the Company, the Committee's assessment of their potential impact on the Company and its portfolio in the current environment, and the measures in place to mitigate those risks.

Risk governance approach

The Board has overall responsibility for the assessment of risk and for the Company's risk management framework. In doing so, it seeks to maintain an appropriate balance between risk mitigation and the delivery of sustainable, long-term risk-adjusted returns for shareholders. The Company's approach to risk management is underpinned by the Board's values of Integrity, Objectivity, Accountability and Legacy.

The Committee oversees the design, implementation and ongoing operation of the risk management framework, including the methodology and processes used to identify, assess and manage risks. A key objective of the Committee is to promote a consistent approach to risk management across the Company's strategy, business objectives, policies and procedures.

The Committee considers the most significant current and emerging risks facing the Company, drawing on a range of quantitative and qualitative information.

This includes portfolio 'vintage' controls that assess concentration by geography and sector; regular reporting of financial and non-financial KPIs and key risk indicators ('KRIs') from the portfolio, including leverage and sustainability metrics; and detailed liquidity reporting. Longer-term risks, together with new and emerging risks, are assessed through the Company's structured risk review process.

The Company also places reliance on the risk management frameworks operated by the Investment Manager and other key service providers, as well as on the risk management practices in place at each portfolio company.

Risk management reports are received regularly from the Investment Manager and other service providers. In addition, members of the Investment Manager's team represent the Company on the boards of portfolio companies, providing direct oversight and insight that informs risk identification, assessment and reporting.

Risk report continued

Risk appetite

The Committee reviews the Company's risk appetite on an annual basis and, during the year, confirmed that it remained broadly unchanged. The Company's risk appetite is considered in the context of the principal risks set out on pages 64 to 67.

As an investment company, the Company necessarily accepts investment risk in pursuit of its objectives. The Company's appetite for investment risk is set out in the Our business model section and the Investment policy contained in this document. All investments are made in accordance with the Investment Manager's RI policy, which is a core component of the Company's approach to risk management. In a competitive environment for new investments, the consistent application of investment discipline remains critical. The Company has a low appetite for regulatory, compliance and conduct-related risks and seeks to manage environmental, social and governance risks through its RI framework and active ownership approach.

Investment discipline is applied equally to investment and realisation decisions, including the realisation of TCR during the year. The Company's investment procedures are rigorous and comprehensive, ensuring that both entry and exit decisions are subject to robust analysis and appropriate governance.

The Company's target risk-adjusted return objective of delivering 8% to 10% per annum over the medium term remains consistent with the underlying investment cases of the current portfolio.

As the portfolio evolves, the range of expected returns across individual investments may broaden. This may include a combination of higher risk / higher return 'value-add' investments and lower risk / lower return 'core' investments. The Company recognises that this could result in greater variability in returns at an individual asset level.

This potential volatility is mitigated through diversification across sectors, geographies and underlying economic risk exposures. Reflecting the Company's current liquidity position, the focus during the year has been on investing through the existing portfolio, where the Board considers more attractive risk-adjusted returns can be achieved than through new platform investments. Following the realisation of TCR the Company maintained diversification through a new investment in LMD.

The Company has deliberately constructed a diversified portfolio while maintaining a disciplined assessment of the risks faced by its portfolio companies. The Committee reaffirmed that the Company's risk appetite for core-plus infrastructure investments remains unchanged and continues to align with the Company's investment mandate and return objectives. Recent macroeconomic uncertainty has tested the appropriateness of the Company's business model and risk appetite; overall, the portfolio has demonstrated resilience, supported by diversification across infrastructure subsectors and underlying risk types. The benefit of diversification can be seen in the resilience of the overall return to the write-down of DNS:NET. The Committee also considers the Company's risk appetite under a range of downside and stressed scenarios, including prolonged periods of market volatility, reduced liquidity and higher interest rates.

The Company adopts a conservative approach to capital management. It has no appetite for permanent gearing, and the achievement of its return objectives is not dependent on the use of leverage. The Company operates a flexible funding model and has historically been an infrequent issuer of new equity in the listed infrastructure market.

During the year, the Company's shares traded at a discount to published net asset value, limiting the ability to issue new equity and increasing the importance of the RCF in bridging the timing between investment, realisation and cash generation from the portfolio. The base £900 million RCF was extended by a year and now matures in June 2029. An additional £300 million commitment under an accordion feature is available until March 2027.

The Company seeks to limit the impact of foreign exchange movements on net asset value through a combination of euro-denominated drawings under the RCF and a foreign exchange hedging programme.

Risk report continued

Risk review process

The principal tools used by the Committee to assess the Company's appetite for key risks are the risk register and the risk matrix.

The process for developing, reviewing and updating the risk register and risk matrix is described below, together with an explanation of the Company's appetite for each of the key risks.

In addition to investment risk, which is discussed above, the Company actively manages and seeks to limit exposure to other risks in order to maintain risk exposures within acceptable parameters.

The Company's risk review process includes the regular monitoring of key strategic and financial metrics that are considered indicators of potential changes in the Company's overall risk profile.

Formal risk reviews are undertaken three times a year, with the most recent review conducted in April 2026. These reviews consider a wide range of internal and external factors, including, but not limited to:

- infrastructure sector and broader market overviews;
- key macroeconomic indicators and their impact on the performance and valuation of portfolio companies;
- regular updates on the operational and financial performance of portfolio companies;
- experience gained from investment and divestment processes;
- compliance with regulatory obligations, including climate-related regulations;
- analysis of new and emerging regulatory initiatives;
- liquidity management;

- assessment of climate-related risks to the portfolio, including physical, transition and litigation risks;
- consideration of scenarios that could impact the Company's long-term viability;
- assessment of emerging risks; and
- review of the Company's risk log of relevant incidents or issues arising during the year.

The Committee uses the risk management framework to identify, monitor and assess both key and emerging risks, and to evaluate changes in the Company's risk profile over time. The framework is designed to manage, rather than eliminate, the risk of failing to achieve the Company's objectives or of breaching its risk appetite.

Throughout the year, the Committee monitors those key and principal risks that have the potential to materially affect the achievement of the Company's strategic objectives.

For each identified risk, the Committee assesses both the likelihood of occurrence and the potential impact, taking into account the Company's strategy and business model. Risks are assessed over two time horizons: within three years; and beyond three years. The outcomes of this assessment are reflected in the risk matrix.

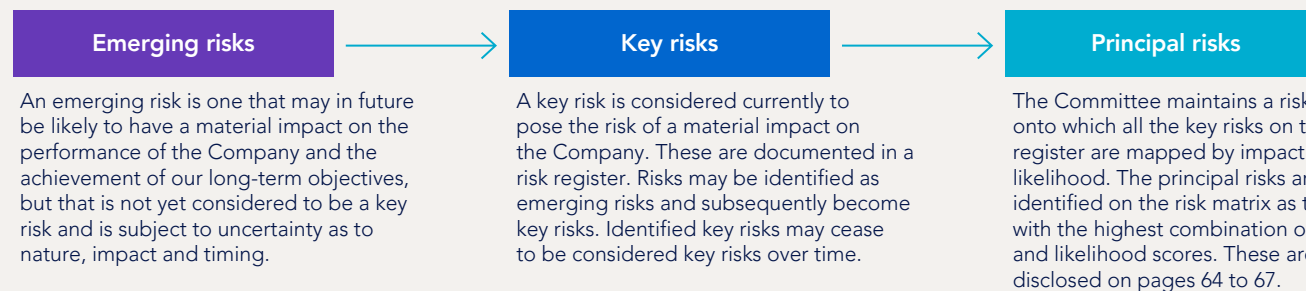
Mitigating controls are identified for each risk and their effectiveness is assessed. Where appropriate, additional controls are implemented and their operation reviewed at subsequent Committee meetings.

The principal risks identified through this process are considered in more detail as part of the Company's viability assessment. This assessment evaluates a range of plausible scenarios, including stressed scenarios, that could arise if these risks were to materialise. As an investment company, the stressed scenarios focus primarily on reduced cash flows from the investment portfolio, which could result in debt covenant breaches or the inability to meet liabilities as they fall due.

The Investment Manager models the impact of these scenarios on the Company and reports the results to the Committee. The conclusions of this analysis are reflected in the viability assessment included within this Risk report.

Risk categorisation

The Committee uses the following categorisation to describe risks that are identified during the risk review process.



Risk report continued

Review during the year

In November 2025, the Committee reassessed the Company's identified key risks and considered whether any updates were required to the list of emerging risks facing the Company. This included a 'blank sheet of paper' exercise, during which each Director, together with selected members of the Investment Manager's team, identified the most significant emerging risks and discussed changes in the impact and likelihood of the Company's key risks. The same risks were also considered over a period beyond three years, together with the Company's risk appetite.

In December 2025, the Investment Manager analysed the information gathered through this process and documented both emerging and key risks. Key risks were scored for impact and likelihood over a three-year period and plotted on a risk matrix. Those risks with the highest combined impact and likelihood were identified as principal risks.

In January 2026, the Committee reviewed the results of the risk scoring exercise and made further refinements where appropriate.

In April 2026, the Committee reviewed and approved the updated risk register and risk matrix, covering both the three-year and beyond three-year assessment periods.

The Company's portfolio benefits from a relatively diverse spread of assets, and the Committee considers it important that this diversity is maintained as the portfolio evolves through new investments, realisations and syndications. Future realisations and syndications are expected to continue to shape the portfolio's risk profile in line with the Company's strategy, providing flexibility to manage exposure to more sensitive assets and to adapt to changes in underlying risk characteristics over time.

The Committee remains confident that the portfolio continues to exhibit defensive and resilient characteristics and is well positioned to benefit from accretive, discretionary growth opportunities, as highlighted in the Review from the Managing Partner. Based on the analysis undertaken during the year, the Committee concluded that the Company's current risk appetite remains appropriate.

Emerging risks

As a long-term investor, the Company considers both identified key risks, as set out below, and emerging or longer-term risks. The Company's approach to risk categorisation, including the definition of emerging risks, is described on page 61.

The Board and the Investment Manager take emerging risk considerations into account when assessing portfolio performance and evaluating new investment opportunities.

The objective is to identify potential risks that can be mitigated, managed or, where appropriate, transformed into opportunities. Emerging risks are identified through a range of activities, including engagement with stakeholders, presentations to the Board, attendance at industry events and horizon scanning undertaken by the Investment Manager.

As part of its ongoing risk oversight, the Committee considers whether emerging risks should be incorporated into the Company's risk register. The risk register is treated as a 'live' document and is reviewed and updated regularly to reflect new risks and developments in existing risks.

Emerging risks considered during the year were broadly consistent with those identified in the prior year. These included increasing deglobalisation and protectionist trends, such as competition for critical minerals and the imposition of trade tariffs; evolving cyber security threats including state-sponsored cyberattacks; opportunities and risks associated with the use of AI tools; regulatory and policy developments linked to decarbonisation; geopolitical tensions; and potential global trade and supply chain disruption. In certain instances, emerging risks are encompassed within broader key risks, including market and economic risk.

Consideration of the emerging impact of the conflict in the Middle East is discussed on page 63.

Key risks

The Committee assesses key risks by evaluating their potential impact and likelihood using the Company's risk matrix.

During the year, the Committee reviewed all identified key risks in detail. Within this population, those risks assessed to have the greatest potential impact on the Company's strategy and business model were designated as principal risks and are set out in the Principal risks and mitigation table on pages 64 to 67. The Risk report does not seek to provide an exhaustive list of all risks and uncertainties faced by the Company; rather, it presents a focused overview of the most significant key risks actively monitored by the Board, together with the principal mitigating controls and developments during the year.

While the external risk environment evolved over the course of the year, the underlying principal risk areas faced by the Company remained broadly consistent with the prior year. These are described in the Principal risks and mitigation table on pages 64 to 67, which also includes commentary on developments during the year and examples of the material controls and processes in place to manage these risks. Changes in the assessment of impact and likelihood resulted in minor adjustments to the composition and relative weighting of the Company's principal risks compared with the previous financial year.

Risk report continued

Market and economic risk was assessed as the most significant risk facing the Company and was considered to have increased during the year. This risk encompasses the potential impact of sustained inflationary pressures, elevated or volatile interest rates, fluctuations in commodity and energy prices, supply chain disruption, the effects of trade tariffs, and ongoing volatility in capital markets, all of which may influence pricing, valuations and portfolio performance.

The conflict in the Middle East

The conflict is likely to impact 3iN's portfolio indirectly through energy market disruption, higher inflation, and economic uncertainty. While cost pressures may affect some assets, inflation-linked revenues and resilient demand in essential infrastructure may help offset downside risks.

The risk of poor investment performance increased during the year, but following the full write-down of DNS:NET the portfolio is no longer exposed to further value movements in that asset and this element of risk has crystallised.

The remaining underperforming asset, SRL, is one of the smaller holdings in the portfolio and therefore has a proportionately limited impact on overall performance. As a result, the risk of poor investment performance was assessed to have decreased at the year end.

Risks associated with liquidity management were assessed to have decreased during the year, reflecting the successful divestment of TCR. Following completion, the transaction is expected to move the Company from a net debt to a net cash position. This improves balance sheet flexibility.

There were no material changes to the assessment of the remaining principal risks during the year.

Fraud and cyber risk

During FY26, information security and cybersecurity remained a key area of focus, reflecting the increasing frequency and sophistication of high-profile external attacks and escalating nation-state activity. In October 2025, the UK Government wrote to CEOs and Chairs of FTSE 350 companies emphasising that cybersecurity should be treated as a board-level responsibility.

The Company remains vigilant to the evolving landscape of cyber, fraud and other technology-related threats that could disrupt operations, compromise data or adversely affect reputation. Oversight of these risks is supported by the Investment Manager's established fraud risk assessment processes and anti-fraud framework, together with regular reporting to the Board and the Committee.

This framework combines preventative and detective controls, including proactive fraud risk reviews led by the Investment Manager's Internal Audit function, mandatory training programmes designed to enhance awareness and vigilance, and access for all staff to an independent confidential reporting service (the 'hotline').

Cybersecurity risk management focuses on identifying and mitigating threats arising from both internal and external sources, including third-party fraud, ransomware and phishing attacks. This is supported by regular staff training, ongoing awareness initiatives and the deployment of appropriate IT security tools and controls.

The Investment Manager also maintains detailed business continuity and disaster recovery plans, which are periodically reviewed and tested to ensure preparedness for significant disruption events.

In addition, key service providers are required to notify the Company promptly of any material cyber or data security incidents, enabling timely assessment and response where necessary.

Climate risk

Climate risk includes both physical risks, such as extreme weather, heat stress and flooding, and transition risks linked to the shift to a low-carbon economy, including regulatory, technological and market developments. These are assessed across multiple time horizons and scenarios to understand potential portfolio impacts.

Failure to identify and manage these risks could affect asset performance, resilience and long-term value, as well as create reputational risk. Physical risks may also impact asset integrity, operations and workforce safety. While uncertainty remains around the pace of change, the Committee recognises climate risk as both a key consideration and an investment theme.

Climate-related regulatory risk is assessed within legal, tax and compliance risk. During the year, the Committee considered the EU Omnibus I package, which simplifies and reduces the scope of CSRD and Corporate Sustainability Due Diligence Directive ('CSDDD'), with implementation ongoing. The reporting burden for parts of the portfolio is expected to reduce.

Climate-related risks, both physical and transition, are also viewed as sources of opportunity across the portfolio. At present, no risks have been identified that would elevate climate risk to a principal risk classification. Transition risks include potential accelerated decommissioning of oil and gas infrastructure affecting Tampnet and ESVAGT, while opportunities include carbon capture developments. Physical risks, such as drought and flooding, may affect feedstock supply and quality for Future Biogas, for example. While the precise potential impact is difficult to quantify, conservative assumptions for feedstock disruption have been incorporated into investment cases, alongside contingency planning for construction and operational activities to address flood risk.

Risk report continued

Principal risks and mitigations

Our Strategic priorities



Maintain balanced portfolio



Disciplined approach



Manage portfolio intensively



Efficient balance sheet



Sustainability key driver

External

Principal risk	Risk description	Risk mitigation	Developments in the year
<p>Market/economic</p> <p> Risk exposure movement in the year Increased</p> <p> Link to Strategic priorities Manage portfolio intensively</p>	<ul style="list-style-type: none"> • Macroeconomic or market volatility impacts general market confidence and risk appetite which flows through to pricing, valuations and portfolio performance • Fiscal tightening impacts market environment • Risk of sovereign default lowers market sentiment and increases volatility • Misjudgement of inflation and/or interest rate outlook 	<ul style="list-style-type: none"> • Resources and experience of the Investment Manager on deal-making, asset management and hedging solutions to market volatility • Periodic legal and regulatory updates on the Company's markets and in-depth market and sector research from the Investment Manager and other advisers • Portfolio diversification to mitigate the impact of a downturn in any geography, sector or portfolio company-specific effects • The permanent capital nature of an investment trust allows us to look through market volatility and the economic cycle 	<ul style="list-style-type: none"> • Middle East tensions pose indirect risks to 3iN via inflation, higher energy costs, economic slowdown, elevated interest rates, market volatility, and increased focus on energy security • Foreign exchange exposures at the portfolio company level monitored and hedged where appropriate • The Company's share price traded below NAV during the year and this restricted the Company's ability to raise new capital • Private equity market valuations typically less affected than public equity market valuations during periods of significant public market volatility
<p>Competition</p> <p> Risk exposure movement in the year No significant change</p> <p> Link to Strategic priorities Disciplined approach</p>	<ul style="list-style-type: none"> • Increased competition for the acquisition of assets in the Company's strategic focus areas • Deal processes become more competitive and prices increase • New entrants compete with a lower cost of capital 	<ul style="list-style-type: none"> • Continual review of market data and review of Company return target compared to market returns • Ongoing analysis of the competitor landscape • Origination experience and disciplined approach of the Investment Manager • Strong track record and strength of the 3i Infrastructure brand 	<ul style="list-style-type: none"> • Realisation of TCR at a c.50% premium to the March 2025 valuation, before the TCR sale process was initiated • Investment of £116 million in the existing portfolio during the year plus an approximate €301 million or £262 million investment commitment to the Lefdal Mine Datacenter demonstrates 3iN's ability to source highly attractive assets off-market

Risk report continued

Principal risks and mitigations continued

Our Strategic priorities



Maintain balanced portfolio



Disciplined approach



Manage portfolio intensively





Efficient balance sheet





Sustainability key driver

External continued

Principal risk	Risk description	Risk mitigation	Developments in the year
<p>Continuing discount to NAV</p>  <p>Risk exposure movement in the year No significant change</p>  <p>Link to Strategic priorities Maintain balanced portfolio Efficient balance sheet</p>	<ul style="list-style-type: none"> The Company's share price continues to trade at a discount to NAV This restricts the ability to raise new equity which reduces the ability to support the portfolio or take advantage of new investment opportunities and can cause shareholder dissatisfaction 	<ul style="list-style-type: none"> Regular review of the level of discount or premium relative to the listed infrastructure sector Clear communication to investors on strategy, performance and outlook Regular engagement with shareholders and consideration of shareholder feedback Deliver strong returns to build investor confidence Consider ways to enhance share price performance through effectiveness of marketing and other measures The Company's brokers are in regular contact with existing shareholders and prospective new investors 	<ul style="list-style-type: none"> Validation of NAV through sale of TCR at a c.50% premium to pre-transaction valuation Ongoing withdrawal of liquidity from listed infrastructure sector puts pressure on share prices Discount is smaller than listed infrastructure comparables

Operational

Principal risk	Risk description	Risk mitigation	Developments in the year
<p>Loss of senior Investment Manager staff</p>  <p>Risk exposure movement in the year No significant change</p>  <p>Link to Strategic priorities Maintain balanced portfolio Sustainability key driver</p>	<ul style="list-style-type: none"> Members of the deal team at the Investment Manager leave, and 'deal-doing' and portfolio management capability in the short to medium term is restricted 	<ul style="list-style-type: none"> Strength and depth of the senior team and strength of the 3i Group brand Performance-linked compensation packages, including an element of deferred remuneration Notice periods within employment contracts Careful management and robust planning of senior management transition 	<ul style="list-style-type: none"> The Investment Manager's team has strength and depth with recruitment at junior levels and promotions through the team

Risk report continued

Principal risks and mitigations continued

Our Strategic priorities



Maintain balanced portfolio



Disciplined approach



Manage portfolio intensively









Efficient balance sheet



Sustainability key driver

Operational continued

Principal risk	Risk description	Risk mitigation	Developments in the year
<p>Management of liquidity</p> <p> Risk exposure movement in the year Decreased</p> <p>  Link to Strategic priorities Disciplined approach Efficient balance sheet</p>	<ul style="list-style-type: none"> • Failure to manage the Company's liquidity, including cash and available credit facilities • Insufficient liquidity to pay dividends and operating expenses or to make new investments or support portfolio companies • Hold excessive cash balances, introducing cash drag on the Company's returns 	<ul style="list-style-type: none"> • Regular reporting of current and projected liquidity • Investment and planning processes consider sources of liquidity • Flexible funding model, where liquidity can be sought from available cash balances including reinvestment of proceeds from realisations, committed credit facilities which can be increased with approval from our lenders, and the issue of new share capital • Growth opportunities can be part or fully funded by portfolio company cash balances and/or available debt facilities 	<ul style="list-style-type: none"> • The Company has access to a £1.2 billion RCF with £300 million maturing in March 2027 and £900 million maturing in June 2029. Total liquidity of £669 million comprised cash and deposits of £4 million and undrawn facilities of £665 million at 31 March 2026 • In the near term, completion of the TCR sale is expected to repay the RCF in full and provide sufficient liquidity to support new investments. Proforma net cash after committed deals is £201 million. • Access to the equity capital markets was limited as a result of share price declines in the listed infrastructure investment trust sector and this restricted the Company's ability to raise new capital
<p>Deliverability of return target</p> <p> Risk exposure movement in the year No significant change</p> <p>  Link to Strategic priorities Maintain balanced portfolio Sustainability key driver</p>	<ul style="list-style-type: none"> • Failure to ensure the investment strategy can deliver the return target and dividend policy of the Company • Failure to adapt the strategy of the Company to changing market conditions 	<ul style="list-style-type: none"> • Market returns are reviewed regularly • The Investment Manager and other advisers to the Company report on market positioning • Investment process addresses expected return on new investments and the impact on the portfolio • Consideration of megatrends in the investment process • Consideration of risks, including sustainability and climate risks, in the investment process 	<ul style="list-style-type: none"> • Total return for the year of 8.5% in line with the target return of 8%-10% per annum • FY26 dividend of 13.45 pence per share, 6.3% higher than the previous year

Risk report continued

Principal risks and mitigations continued

Our Strategic priorities



Maintain balanced portfolio



Disciplined approach



Manage portfolio intensively







Efficient balance sheet



Sustainability key driver

Investment

Principal risk	Risk description	Risk mitigation	Developments in the year
<p>Security of assets</p>  <p>Risk exposure movement in the year No significant change</p>  <p>Link to Strategic priorities Maintain balanced portfolio Sustainability key driver</p>	<ul style="list-style-type: none"> An incident, such as a cyber or terrorist attack Unauthorised access, use, disclosure, modification or destruction of information and/or operating systems Regulatory and legal risks from failure to comply with cyber-related laws and regulations, including data protection 	<ul style="list-style-type: none"> Regular review of the Company and key service providers Regular review and update of cyber due diligence for potential investments Review of portfolio companies for cyber risk management and incident readiness Established governance and reporting processes, including incident escalations and breach reporting 	<ul style="list-style-type: none"> Ongoing focus on IT security and staff training including utilisation of specialist advisers by the key service providers Continued programme of phishing and penetration testing and review of disaster recovery plans in the year Portfolio company boards continued to focus on cyber risk management. While some portfolio companies encounter fraud attempts (with occasional success), none have materially impacted our companies
<p>Poor investment performance</p>  <p>Risk exposure movement in the year Decreased</p>  <p>Link to Strategic priorities Maintain balanced portfolio Sustainability key driver</p>	<ul style="list-style-type: none"> Misjudgement of the risk and return attributes of a new investment Material issues at a portfolio company Poor judgement in the realisation of an asset 	<ul style="list-style-type: none"> Robust investment process with thorough challenge of the investment case supported by detailed due diligence Investment Manager's active asset management approach, including proactive management of issues arising at portfolio company level Monthly portfolio monitoring to identify and address portfolio issues promptly Experience of the Investment Manager's team in preparing for and executing realisations of investments 	<ul style="list-style-type: none"> Resilient performance from the portfolio overall Write-down of the value of DNS:NET and material reduction in the value of SRL. As these were the most underperforming assets, this reduced the near-term risk of poor investment returns from the portfolio Active asset management including implementing changes in the leadership team and the reassessment of strategy at portfolio companies as and when appropriate Progress by portfolio companies along their sustainability pathways

Risk report continued

Resilience

Our resilience comes from the effective implementation of our business model, described on pages 15 to 21. Key elements of our business model relating to resilience include the Investment Manager's disciplined approach to new investment and active asset management, the defensive characteristics of our portfolio of investments, high sustainability standards, our flexible funding model and efficient balance sheet, and the capability of the Investment Manager's team.

This is underpinned by the strong institutional culture and values of our Investment Manager, high standards of corporate governance, and effective risk management.

Over the life of the Company, the Investment Manager has built a resilient and diversified portfolio with good growth potential and downside protection that delivers an attractive mix of income yield and capital appreciation for shareholders. This has been achieved through consistent delivery of our strategic priorities, described on page 22.

Short-term resilience

The Directors assess the Company's short-term resilience through monitoring portfolio, pipeline and finance reports. These are prepared monthly, and discussed at quarterly scheduled Board meetings and Board update calls held between scheduled meetings. Six-monthly detailed investment reviews are prepared by the Investment Manager and discussed with the Board, as part of the half-yearly and annual valuation and reporting processes. These reviews describe sources of risk at portfolio company level, and mitigating actions being taken or considered.

The resilience of key suppliers, including the Investment Manager, is considered annually, or more frequently if appropriate. The Audit and Risk Committee is provided with relevant extracts of reports from the Investment Manager's internal audit team, which includes an annual report on the Investment Manager's European infrastructure investment team. Further detail is included in the Governance section on page 94.

The Directors manage the Company's liquidity actively, reviewing reports on current and forecast liquidity from the Investment Manager, alongside recommendations for seeking additional liquidity when appropriate. During the year, the base £900 million RCF was extended and now matures in June 2029. Further discussion on the RCF can be found in the Financial review on page 45.

The identification of material uncertainties that could cast significant doubt over the ability of the Company to continue as a going concern forms the basis of the Going concern statement below.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report and in the Financial statements and related Notes to the Annual report and accounts to 31 March 2026. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are also described in the Financial statements and related Notes to the accounts.

In addition, Note 9 to the accounts includes the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk.

The Directors have made an assessment of going concern, taking into account the Company's cash and liquidity position, current performance and outlook, which considered the impact of the current inflationary and interest rate environment, using the information available up to the date of issue of these Financial statements.

The Company has liquid financial resources and a strong investment portfolio, providing a predictable income yield and an expectation of medium-term capital growth.

The Company manages and monitors liquidity regularly, ensuring that it is sufficient.

At 31 March 2026, liquidity remained strong at £669 million (2025: £644 million). Liquidity comprised cash and deposits of £4 million (2025: £4 million) and undrawn facilities of £665 million (2025: £640 million). The £900 million base RCF matures in June 2029, beyond 12 months of the date of this report. The £300 million commitments under the RCF accordion mature in March 2027.

Risk report continued

The Company signed an agreement in March 2026 for the sale of its investment in TCR with expected proceeds of €1,140 million. Completion remains subject to customary regulatory approvals only and is anticipated in Q3 2026.

The Company had one contracted investment commitment of €319 million at 31 March 2026 relating to 3i Managed Infrastructure Acquisitions II LP which is the entity set up to acquire a majority stake in the Lefdal Mine Datacenter and a small portfolio of operating renewable assets (2025: nil). Of this commitment, approximately €301 million or £262 million relates to the investment commitment to the Lefdal Mine Datacenter. The Company also expects to make follow-on investments in portfolio companies to fund growth opportunities.

The Company had ongoing charges of £53 million in the year to 31 March 2026, detailed in Table 7 in the Financial review, which are indicative of the ongoing run rate in the short term (2025: £53 million). In addition, the FY26 performance fee of £4 million (2025: £18 million) is due in three equal instalments, with the first instalment payable in the next 12 months along with the second instalment of FY25's performance fee and the third instalment of FY24's performance fee, and a proposed final dividend for FY26 of £62 million which is expected to be paid in July 2026.

Although not a commitment, the Company has announced a dividend target for FY27 of 14.30 pence per share. Income and non-income cash is expected to be received from the portfolio investments during the coming year, some of which will be required to support the payment of this dividend target and the Company's other financial commitments.

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, the Directors considered it appropriate to prepare the Financial statements of the Company on a going concern basis.

The Company 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. This is supported by the scenario analysis and stress testing described in the medium-term resilience section and the Viability statement. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual report and accounts.

Medium-term resilience

The assessment of medium-term resilience, which includes modelling of stressed scenarios and a reverse stress test, considers the viability and performance of the Company in the event of specific stressed scenarios, which are assumed to occur over a three-year horizon. This stress testing forms the basis of the Viability statement.

The Directors consider that a three-year period to March 2029 is an appropriate period to review for assessing the Company's viability. This reflects greater predictability of the Company's cash flows over that time period and is aligned to the Company's risk review cycle. There is increased uncertainty surrounding economic, political and regulatory changes over the longer term.

The stress testing focuses on the principal risks, but also reflects those new and emerging risks that are considered to be of sufficient importance to require active monitoring by the Audit and Risk Committee. The scenarios used are described in the Viability statement. The medium-term resilience of the Company is assessed through analysing the impact of these scenarios on key metrics such as total return, income yield, net asset value, covenants on the RCF and available liquidity.

Viability statement

The Directors consider the medium-term prospects of the Company to be favourable. The Company has a diverse portfolio of infrastructure investments, producing good and reasonably predictable levels of income which cover the dividend and costs. The defensive nature of the portfolio and of the essential services that the businesses in which we invest provide to their customers, are being demonstrated in the current climate. The Investment Manager has a strong track record of investing in carefully selected businesses and of driving value through an active asset management approach. The Directors consider that this portfolio can continue to meet the Company's objectives.

The Directors have assessed the viability of the Company over a three-year period to March 2029. The Directors have taken account of the current position of the Company, including its liquidity position, with £4 million of cash and £665 million of undrawn credit facilities, and the principal risks it faces, which are documented in the Principal risks and mitigations table on pages 64 to 67.

Risk report continued

The Directors have considered the potential impact on the Company of a number of scenarios in addition to the Company's business plan and recent forecasts, which quantify the financial impact of the principal risks occurring. These scenarios represent severe yet plausible circumstances that the Company could experience, including a significant impairment in the value of the portfolio and a reduction in the cash flows available from portfolio companies from a variety of causes.

The assessment was conducted over several months, during which the proposed scenarios were evaluated by the Board, the assumptions set, and the analysis produced and reviewed. Analysis included the impact of a prolonged liquidity constraint for the Company resulting from not being able to sell assets or raise equity due to unfavourable market conditions.

Other considerations included the possible impact of climate-related events and transition risks, widespread economic turmoil, escalating geopolitical conflicts, a tightening of debt markets and the failure of a large investment.

The assumptions used to model these scenarios included: a fall in value of up to 30% for some or all of the portfolio companies; a full write-down of a large asset; a reduction in cash flows from portfolio companies; a reduction in the level of new investment and/or realisations; the imposition of additional taxes on distributions from or transactions in the portfolio companies; an increase in the cost of debt by up to 3.0% and restriction in debt availability; a sustained devaluation in sterling increasing the liquidity requirements for the hedging programme and an inability for the Company to raise new equity. The implications of changes in the inflation, interest rate and foreign exchange environment were also considered, separately and in combination.

The results of this assessment showed that the Company would be able to withstand the impact of these scenarios occurring over the three-year period. The Directors also considered scenarios that would represent a serious threat to its liquidity and viability in that time period.

These scenarios were considered to be remote, such as markets closed to new equity issue, a fall in equity value of the portfolio of more than 40% while being fully drawn on the RCF, or an equivalent fall in income.

In such circumstances additional options may be available to mitigate the impact on the Company's liquidity and cash flow including:

- (i) sell assets
- (ii) reductions in operating and capital expenditure or raising additional debt at portfolio company level to fund distributions to the Company
- (iii) extension of debt facilities
- (iv) the potential to raise additional funds from other sources

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period to March 2029.

Long-term resilience

As described above, the long-term resilience of the Company, beyond the Viability statement period, comes from the effective implementation of our business model and consistent delivery of our strategic objectives.

Our approach to origination and portfolio construction, focus on price discipline, and active asset management approach enable us to adapt in response to new and emerging risks and challenges, including climate change and developments in megatrends.

The characteristics that are commonly found across our portfolio, described on page 14, support the long-term resilience of the Company.

The underlying megatrends supporting the longer-term resilience of each portfolio company are identified in the Megatrends section on page 25.

We have a long-term investment time horizon made possible by our permanent capital base that is unconstrained by the fixed investment period and fundraising cycle seen in private limited partnership funds.

Although the scenarios and stress testing to support the Viability statement are modelled over a three-year time horizon, the resilience shown by the Company, and its ability to recover from these stressed situations, supports the assessment of our resilience over a longer term than three years.

Directors' duties

Section 172 statement

The Company adheres to the AIC Corporate Governance Code (the 'AIC Code'), which is endorsed by the Financial Reporting Council ('FRC') and supported by the Jersey Financial Services Commission ('JFSC'). This enables the Company to report on matters set out in section 172 of the Companies Act 2006 ('s172') to the extent they do not conflict with Jersey law.

We recognise that our business can only grow and prosper by acting in the long-term interests of our key stakeholders, and that a good understanding of the issues affecting stakeholders should be an integral part of the Board's decision making process. The insights that the Board gains through the stakeholder engagement mechanisms it has in place form an important part of the overall context for all the Board's discussions and decision making processes.

As an externally managed investment trust, the Company has no employees or customers and its key stakeholders are its shareholders, service providers (most notably the Investment Manager), portfolio companies, lenders, and government and regulatory bodies.

Day-to-day engagement with our stakeholders is principally managed by the Investment Manager, although, where appropriate, the Directors have direct touchpoints with stakeholders during the year.

Pursuant to s172, a director of a company must act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to the following factors:

The likely consequences of any decision in the long term	Our purpose and strategy, combined with the responsible investment approach of the Investment Manager, focus on achieving long-term success.	+ Read more Pages 5, 22 and 50
The interests of the company's employees	While we do not have any employees, our purpose includes the intention to have a positive influence on our portfolio companies and their stakeholders, which includes the employees of those portfolio companies.	+ Read more Page 53
The need to foster the company's business relationships with suppliers, customers and others	We engage with all our stakeholders, whether directly or through the Investment Manager, in an open and transparent way to foster strong business relationships.	+ Read more Pages 83 to 86
The impact of the company's operations on the community and the environment	As owners of infrastructure businesses with majority or significant minority holdings and representation on their boards, we recognise our ability to influence our portfolio companies to ensure they act responsibly.	+ Read more Pages 50 to 57
The desirability of maintaining a reputation for high standards of business conduct	Our success relies on maintaining a positive reputation, and our values and ethics are aligned to our purpose, our strategy and our ways of working.	+ Read more Pages 16, and 79 to 86
The need to act fairly towards members of the company	The Board actively engages with its shareholders and considers their interests when implementing our strategy.	+ Read more Pages 83 to 86

Pages 83 to 86 set out how stakeholder interests have influenced decision making.

This Strategic report, on pages 1 to 71, is approved by order of the Board.

Authorised signatory
3i plc
 Company Secretary
 11 May 2026