



# Foresight

FOR A SMARTER FUTURE

## HUMAN RIGHTS POLICY AND APPROACH

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## 1 INTRODUCTION

Human rights and labour rights issues such as modern slavery and forced labour are prevailing issues that business has a responsibility to tackle. Foresight Group<sup>1</sup> acknowledges the role businesses can play in contributing to these issues and aims to mitigate their impact through responsible and transparent business practices.

To underpin its commitment to human rights, Foresight Group has adopted the below policy, which is based on the United Nations Guiding Principles on Business and Human Rights (UNGPs) that seek to guide businesses in implementing practices that respect, protect and fulfil human rights and fundamental freedoms.

This policy sets the minimum standard for the Group and all its employees and contractors, who are expected to adhere to it at all times. It also sets out Foresight Group's commitment to respect human rights and its expectations with regard to its suppliers, portfolio companies, investments and their suppliers, as well as key counterparties.

## 2 DEFINITION OF HUMAN RIGHTS

"Human rights" is a broad term and so for the purpose of this document, and for the avoidance of doubt, references throughout this document to human rights shall include (but is not limited to) the areas listed in Policy Standards in section 4 below.

## 3 SCOPE

This policy sets the minimum standards for the Group and all employees<sup>2</sup> and contractors are also expected to adhere to it.

Additionally, Foresight Group shall work to ensure that the human rights policies and arrangements of its suppliers, portfolio companies, investments, suppliers and key counterparties at least meet those set out in this policy.

## 4 POLICY

### POLICY STANDARDS

Foresight shall develop and implement arrangements that comply with the standards that comply with the UNGPs and local laws, which cover areas such as those listed below:

- Labour rights (as defined within the UNGPs)
- Modern slavery and forced labour
- Child labour
- Decent work
- Community and land rights
- Freedom of association and labour relations
- Equality, inclusion and diversity
- Safe and healthy working environment
- Bribery and corruption

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<sup>1</sup> References to Foresight Group, Group and Foresight are to Foresight Group Holdings Limited together with all its subsidiary undertakings

<sup>2</sup> References to employee(s) shall include full and part-time partners and employees of Foresight Group, its contractors and any other form of "worker" as may apply to Foresight from time to time

## DUE DILIGENCE

Each of Foresight's business operations have their own processes and stakeholders. In all dealings, the Group requires that appropriate due diligence is carried out on the parties we engage with, such as investee companies, portfolio companies, key counterparties and suppliers to ensure they meet our standards for human rights.

Due diligence measures should identify human rights risks and escalate these to senior management to ensure that all reasonable efforts are taken to address and mitigate those risk.

## REMEDIATION

The Group will take a risk-based approach in its endeavours to remediate negative human rights impacts (including breaches). In so doing, employees must cooperate with the parties involved and take all reasonable actions to achieve an acceptable outcome.

Remediation in regard to matters raised via Foresight's whistleblowing channels will be undertaken in accordance with the relevant Whistle Blowing policy.

## REPORTING AND COMMUNICATIONS

The Group will report to the public on its efforts relating to human rights and will ensure all employees are aware of this Policy. As part of Foresight's investment process, details of our human rights measures will be shared with counterparties as part of the due diligence process.

A copy of this Policy will also be published on the Group's website.

## TRAINING

Annual mandatory training will be provided to all employees and more detailed, tailored training will be provided to employees whose role has a higher exposure to human rights on a frequency appropriate to the role.

## ENFORCEMENT

Employees are required to comply with this Policy and failure to do so may result in disciplinary action.

Enforcement of this Policy by third parties will not be possible unless there is a contractual obligation to do so. Where that is not the case, Foresight will consider termination of a relationship in the event that remediation is not possible or does not meet the standards required.

## 5 OUR APPROACH

Foresight Group strives to continuously improve our due diligence processes in line with the UNGPs and the OECD Guidelines for Responsible Business Conduct as a means of identifying and mitigating social impacts on people in our business and investments. This is an ongoing process and aims to covers areas such as:

- Investment process
- Supply chain
- Remedial actions
- Monitoring
- Reporting and communications
- Training
- Enforcement

Foresight Group recognises that human rights due diligence is a critical element for its business and will be developing its approach in the next financial year in line with the UNGPs and OECD guidance.

### OUR INVESTMENTS

Human rights due diligence is built into our investment processes, and we request evidence of human rights compliance from key counterparties. Each investment division has its own due diligence approach, tailored to the context and nature associated with its investments. Our Foresight Capital Management (FCM) investment team specifically addresses the ten principles of the [UN Global Compact](#) as part of its investment process. As necessary, heightened due diligence is undertaken through Ethixbase where the human and labour rights risks associated with an investment warrant greater scrutiny.

Across all divisions, a risk-based approach is taken when human and labour rights risks are identified. To this end, certain investments will be excluded or terminated if prospective or current investments fail to demonstrate adherence to human and labour rights standards. There are also a number of investment categories that are excluded on human rights grounds (more information can be found in the [Foresight Group Sustainability and ESG Policy](#)).

### OUR SUPPLY CHAIN

We work with a wide range of suppliers to deliver our services and we acknowledge the need to identify and address human and labour rights risks in the supply chain as well as our own operations. The procurement process for key suppliers includes them being chosen from a panel of potential candidates by an expert team within the business. In addition to our due diligence process, our close relationships with our business partners and key suppliers facilitate regular monitoring.

### REMEDIATION

We take a risk-based approach in remediating negative human and labour rights impacts; this applies to our supply chain and investments.

Where a concern is raised, we will look into the matter and take appropriate remediation steps. Should we identify that we have caused or contributed to an adverse human rights impact, we will cooperate with relevant parties and authorities in seeking to remediate and mitigate the impact.

We encourage all employees to report any human rights grievances and will support them in doing so without fear of retaliation or retribution.

We expect that in many cases employees will be able to raise any concerns with their line manager or the Compliance Officer or the People and Sustainable Culture Team and will support them when they do. Employees may tell them in person or put the matter in writing if preferred. They may be able to agree on a way of resolving a concern quickly and effectively. In some cases, they may refer the matter to the Whistleblowing Officer or Compliance Officer.

However, referral to the Whistleblowing Officer is appropriate where the matter is more serious, or employees feel that a line manager or the Compliance Officer or the People and Sustainable Culture Team has not addressed a concern or where the employee prefers not to raise it with them for any reason, employees should contact the Whistleblowing Officer.

Contact details and the full procedure are set out in the Foresight Group Whistleblowing policies, of which there are more than one, covering all jurisdictions and legal entities.

## MONITORING

As our first policy, we acknowledge the need to continuously improve and develop our approach to monitoring and tracking effectiveness before the first review of the policy. Throughout this first-year implementation of the policy will be closely monitored by the Sustainability Committee.

We hope that by next year, we will be in a position to report in line with developed targets.

## REPORTING AND COMMUNICATIONS

We report to the public on our human rights-related commitments, efforts and statements, consistent with this policy, as part of our annual Sustainability Report and UNGC Communication on Progress.

This policy will be communicated to employees upon induction and then each time it is updated via internal notification. Line managers are responsible for ensuring that the policy has been read and understood by employees and are to report this back to the Head of Sustainability.

For investments, the policy will be communicated upon investment. It will also be made publicly available on the company website.

A culture of openness and accountability is essential to prevent wrongdoing from occurring and to address it if it does occur.

## TRAINING

Training will be provided to employees to meet their human and labour rights policy commitments.

Basic online training on modern slavery is mandatory for all employees. All mandatory training must be renewed online annually.

## ENFORCEMENT AND REVIEW

This policy will be reviewed on an annual basis and any changes will be subject to the process identified above under Governance.

Any employee who breaches this policy may face disciplinary action. While Foresight Group may not be able to apply this policy to third parties involved in its business activities and/ or supply/ value chains, we will seek to engage with suppliers prior to making a decision to terminate our relationship with them should their arrangements not be considered to be sufficient and/ or in breach of our standards.

# Foresight

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