

Foresight Group Sustainability Policy

Effective: 31 March 2025

For the purposes of this document, references to “Foresight”, “Group”, “Foresight Group”, “we” and “our” shall mean Foresight Group Holdings Limited, together with all its direct and indirect subsidiary undertakings.

A Glossary is also provided at the end of this Policy for all other defined terms. Defined terms are in Title Case.

Introduction

Foresight recognises the importance of identifying and taking steps to address Sustainability Factors relevant to the way it does business across all its divisions. Its commitment is reflected in the Group's Code of Conduct, which is aligned to the UN Global Compact, of which it is a signatory. Foresight is able to interact with and influence Sustainability Factors through its roles as investment, asset and portfolio managers.

The Group's Sustainability themed policies, including this Policy, each fall under the overarching Code of Conduct.

1 Purpose

The purpose of this policy is to codify Foresight Group's high-level vision and commitment to identify and take steps to address Sustainability Factors relevant to how we do business. We are committed to take action that decreases negative impacts, mitigates risk and captures opportunities.

To achieve this goal, this Policy sets out the minimum standard for the way the Group identifies and manages these factors across all its divisions aligning with our strategic priorities and long-term objectives.

For more detailed and specific information, please refer to the Group's Responsible Investment Policy and its sustainability approach documents.

Any questions regarding this Policy may be directed to the Group Sustainability Team.

2 Scope

This policy applies to all the Group's employees¹.

¹ References to "employee(s)" throughout this document shall mean all Foresight full and part-time employees (regardless of business area or location), partners, fixed term contractors and temporary staff.

3 Policy

3.1 The Group will identify its material Sustainability Factors as follows:

- We have undertaken and will continue to utilise double materiality analysis² (DMA) as a tool to identify material Sustainability Factors arising as a result of our business operations across the Group. We will also publish the results of any DMAs undertaken and keep the results under regular review to ensure measures in place continue to support the Group's Sustainability ambitions and that obligations are met.
- We will be guided by the sustainability initiatives and organisations³ we are a member of or signatory to by way of adherence to their related sustainability standards and best practice guidelines.
- We will comply with applicable rules and regulations in the locations in which we operate and are licensed.
- We will ensure that each of the products⁴ we manage comply with applicable sustainability regulations in its domiciliation jurisdiction as well as in the countries in which it is marketed.
- To assess the extent to which the Group's investments meet relevant environmental standards, we also measure ourselves against.

3.2 Steps to address Sustainability Factors

All activities undertaken by Foresight Group will adhere to the following guiding principles to address material Sustainability Factors.

- To mitigate the impact of our operations on the environment, we will:
 - Continuously seek opportunities to reduce emissions, pollution and impact on biodiversity.

² A DMA examines how a company's operations impact the environment and society (impact materiality) as well as how environmental and social factors can influence the company's financial performance (financial materiality). In this way it addresses both Sustainability Risks and Adverse Impacts.

³ A list of Sustainability initiatives and organisations Foresight is a signatory to or member of can be found on the Group's website. These include the PRI and the UN Global Compact.

⁴ For the purpose of this document, reference to a product managed by Foresight shall include funds, partnerships, managed accounts and any other form of vehicle or arrangement in respect of which Foresight has been engaged to provide investment management services.

- Promote the efficient and sustainable use of resources, for example raw materials or water, in our operations and encourage our supply chain and investee companies to mirror our approach.
- Actively explore opportunities for creating positive impacts on our environment and on society, including through investment activity where the investment strategy may permit or mandate such actions.
- In committing to the well-being, safety and inclusion of employees, we will:
 - Provide a safe, healthy and supportive work environment.
 - Maintain a strong employee culture by implementing Foresight’s core values of ambition, integrity, impact and collective success.
- In promoting the well-being, safety and inclusion of people including workers in the value chain, in the communities we operate in and/or affect, our clients, customers and end users⁵ of our products, we will:
 - Continuously work with our suppliers to ensure that workers in our value chain also have safe, healthy and supportive work environments.
 - Mitigate our impact through responsible and transparent business practices.
 - Seek ways to minimise any negative impacts on communities we operate in and/or affect clients, customers and end users of our products.
- We will uphold strong governance practices by:
 - Adhering to high standards of ethical conduct and corporate governance through transparent reporting, anti-corruption measures and robust risk management practices.
 - Operating in line with our Group Code of Conduct.
 - Engaging with the Group’s key stakeholders to understand their concerns and incorporate their feedback into our Sustainability strategy.
- As a means of incentivising accountability at an individual level, all Foresight employees are obliged to incorporate one or more sustainability and ESG-related objective(s) as part of their annual appraisal. Once an objective is set, it acts as a metric of performance at the individual employee level and will be monitored by the employee’s Line Manager. Failure to achieve the agreed objective(s) during the appraisal period will be reflected in the overall Performance Grade given to the individual concerned and will be considered by the Employee Remuneration Committee.

⁵End users are defined as private individuals using Foresight’s products or services

3.3 Group Governance regarding Sustainability Factors

The Group's governance measures related to Sustainability Factors include:

- Having representation on the Group's Executive Committee⁶ (**ExCo**).
- The establishment by ExCo of a Sustainability Committee and approval of its terms of reference and any subsequent changes thereto.
- The establishment of a Sustainability function at Group level.

Ongoing governance measures shall be as follows:

- Regular reporting to ExCo.
- Providing the Foresight Group Holdings Limited⁷ Audit & Risk Committee⁸ with updates on Sustainability reporting by various functional teams, as well as via the Board's Sustainability representative.
- Maintaining representation on the Sustainability Committee of the Group's key business divisions and having a member of the ExCo act as its chair.
- The Sustainability Committee and Teams will work closely with the Group and jurisdictional risk Teams and other committees.

4 Policy Compliance

4.1 Exceptions

Compliance with this Policy is required of all employees. Any questions concerning the content of this Policy or compliance with it should be raised with the Group Sustainability Team.

4.2 Non-Compliance

An employee found to have violated this Policy may be subject to disciplinary action, up to and including termination of employment.

⁶ Foresight Group Holdings Limited appointed the Group's Executive Committee delegating to it the authority to manage the day-to day operations of the Group and to appoint Group level committees relevant to its business and operations

⁷ Foresight Group Holdings is the parent entity of Foresight Group and is listed on the London Stock Exchange

⁸ Since March 2024, the Board increased the remit of the Audit & Risk Committee to encompass Sustainability topics. The committee's responsibilities now include reviewing policies, monitoring risks, reporting and internal and external assurance of sustainability matters.

4.3 Related policies and approaches

- Group Code of Conduct
- Responsible Investment Policy
- Environmental Policy
- Human Rights Policy
- Modern Slavery Statement
- Sustainable Sourcing Policy
- Forthcoming approach documents to material Sustainability Factors:
 - Affected Communities
 - Climate & Carbon
 - Consumers and End Users
 - Nature (Biodiversity, Pollution, Waster, & Water)
 - Own Workforce
 - Workers in the Value Chain

Glossary

Terms	Definition
Sustainability	<p>Foresight Group defines Sustainability as alignment with the UN Global Compact; this means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Doing so starts with a company's value system and a principles-based approach to doing business.</p> <p>Please note this excludes cases where a different definition of Sustainability is required by jurisdictional-level regulatory requirements, whereby the legal definition would prevail.</p>
Sustainability Factors	<p>Encompasses all Sustainability impacts, risks and opportunities. This includes environmental, social and human rights, and governance factors.</p>
Sustainability Risks	<p>Is defined as a Sustainability Factor that triggers or could reasonably be expected to trigger material financial effects on the Group. This is the case when a Sustainability Factor generates risks or opportunities that have a material influence or could reasonably be expected to have a material influence, on the Group's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term.</p>
Adverse Sustainability Impacts	<p>Refers to actual or potential negative impacts on Sustainability Factors, such as on people or the environment, over the short-, medium- or long-term which are caused by, contributed to, or directly linked to our business. These impacts include those connected with the undertaking's own operations and upstream and downstream value chain, including through its products and services, as well as through its business relationships. Business relationships include those in the undertaking's upstream and downstream value chain and are not limited to direct contractual relationships.</p>