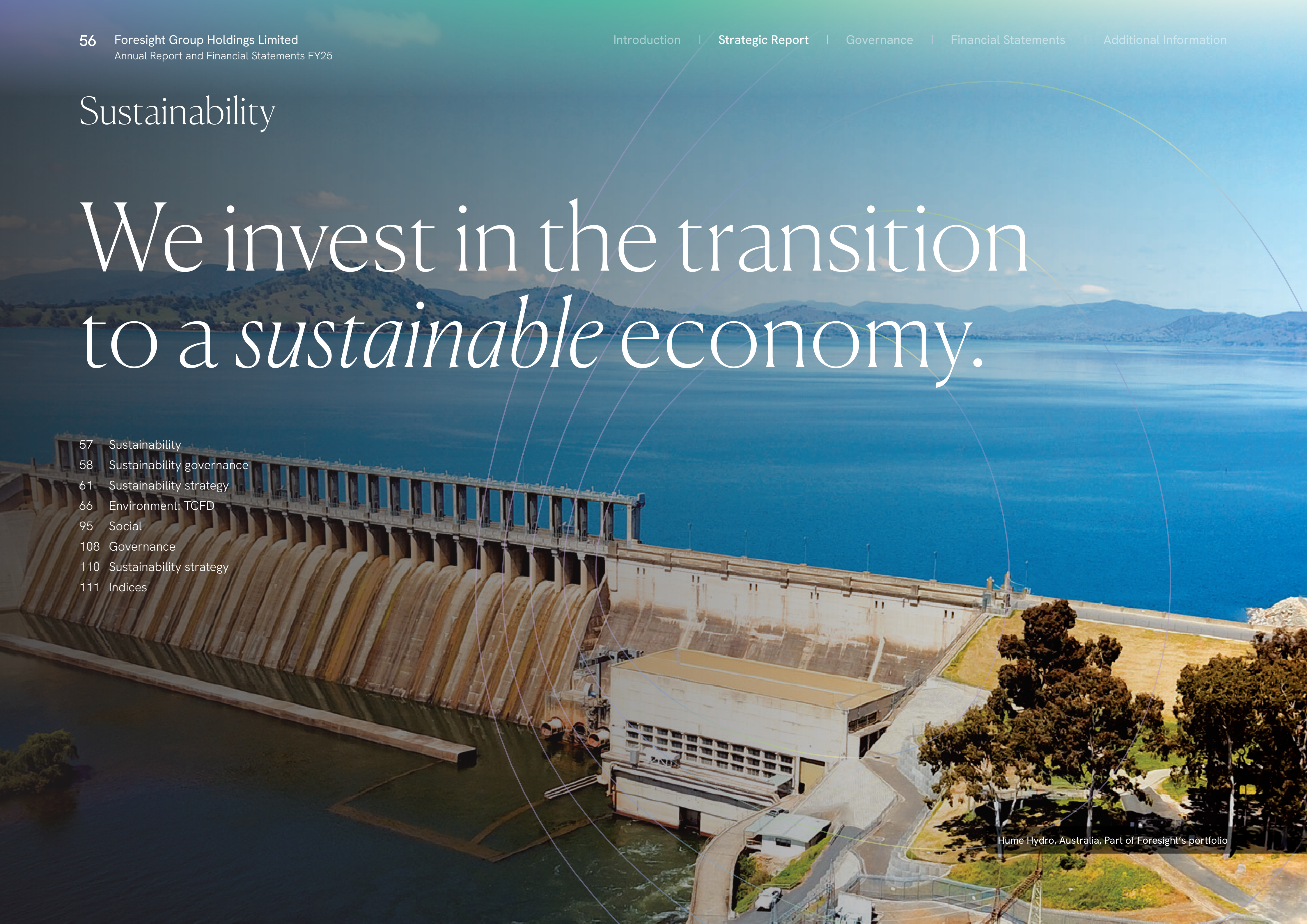
Sustainability

We invest in the transition to a *sustainable* economy.



Hume Hydro, Australia, Part of Foresight's portfolio

Sustainability

Introduction

Over the past year, we have made significant strides in delivering on the sustainability commitments we set out in our previous report, closing out several key initiatives that reflect our dedication to responsible growth. These achievements were made possible through the collective efforts of our teams and Partners, even as our business continued to expand both organically and through strategic acquisitions. This progress underscores our belief that sustainability and growth are mutually reinforcing.

Looking ahead, we remain focused on driving positive change and aligning with global standards where appropriate. This year, we've advanced our climate-related disclosures in line with the TCFD in addition the disclosure has been aligned with ISSB, enhancing transparency and accountability across our operations. As we continue to scale, we are embedding climate resilience and sustainability into our strategy – ensuring that our growth is not only resilient but also responsible.

77%

of our assets are in investments aligned with the Multilateral Development Banks ("MDBs") list of activities considered universally aligned with the Paris Agreement's mitigation goals. See Divisional breakdown on page 88.

General disclosures

Basis of preparation

The scope of consolidation of the sustainability disclosures aligns with Foresight Group's financial reporting.

Frameworks and data selection

This report is aligned with the ISSB Standards.

The content within the Environmental section of this report has been prepared in accordance with the TCFD requirements.

Following a Group wide double materiality assessment conducted in 2024 based on the framework provided by the EU Corporate Sustainability Reporting Directive ("CSRD") and the associated European Sustainability Reporting Standards ("ESRS"), we have chosen to follow the ESRS structure in this report as these standards are widely recognised and a key reference point for many of our European investors.

Emissions data

The WHEB acquisitions and Liontrust Diversified Real Assets Fund are included in emissions from the date of acquisition with the exception of Scope 3 financed emissions which excludes Liontrust.

The TCFD section of this report provides detailed explanations on how the emissions data has been prepared, covering Scopes 1, 2 and 3.

Foresight's employee data

Employee data has been reported based on actual headcount. Figures represent either as at year end, 31 March 2025, or cover the period from 1 April 2024 to 31 March 2025. No estimates have been made in the compilation of the data.

Value chain

Data supplied from the value chain:

- Ethixbase data is the primary platform used within our Infrastructure division, enabling interrogation of counterparties and suppliers against a comprehensive list of more than 800 global enforcement, sanctions and watch lists
- Other sustainability-related data is taken directly from our investments (assets and portfolio companies) through Board and Fund reporting processes, including the use of online reporting platforms and publicly available data (Bloomberg data and MSCI data)

External review

Carbon emissions data (excluding Scope 3 financed emissions) are audited with limited assurance by **Turley Associates Ltd**, an independent third party.

Sustainability governance

This section sets out the processes and controls put in place to monitor, manage and oversee sustainability matters.

Board

The Board of Foresight Group Holdings Limited ("FGHL") has ultimate responsibility for sustainability for the Group, including climate-related issues. The Board is kept informed on sustainability matters via the Board reporting provided by the Sustainability team as well as other teams across the Group. This helps to ensure the Board is kept up to date on the Group's sustainability work, including its resilience and responsiveness to evolving sustainability challenges and opportunities. Alison Hutchinson, who is the Senior Independent Non-Executive Director, is the Board's sustainability representative and liaises regularly with the Group's Sustainability Leads.

Audit & Risk Committee

In accordance with the terms of reference for the Board's Audit & Risk Committee, the Sustainability team provides it with reports for consideration at its meetings. The Audit & Risk Committee reports to the Board on such matters, making recommendations, where appropriate, for the Board's decision and direction.

Executive Committee

The Group's Executive Committee provides strategic oversight of the Group's sustainability activities, ensuring alignment with broader business objectives and climate related commitments. Elizabeth Scorer, Head of Corporate Affairs, holds the overall responsibility for the Group sustainability function, to whom the Group's Head of Sustainability Operations reports. Both also have direct access to Alison Hutchinson.

Sustainability Committee

The Executive Committee appointed the Sustainability Committee to undertake the following key responsibilities:

- Recommend and oversee the implementation of Foresight Group's sustainability strategy
- Guide and advise Foresight Group's approach to sustainable investing (also known as "responsible investment") and corporate social responsibility (also known as "responsible business")
- Identify, review and manage the outputs of the Committee and working groups
- Monitor performance of key material topic areas in regard to materiality evaluation and reporting. This includes climate-related matters, such as overseeing the development of effective systems to monitor and report on risks and opportunities arising from climate change

The Sustainability Committee reports directly to the Executive Committee via its Chair and Vice Chair, and operates both independently and through working groups appointed to undertake certain work/tasks. During the financial year, the Committee appointed a new Chair: Group Chief Investment Officer and a new Vice Chair: Head of Corporate Affairs. The remaining members, all Director level and above, represent key areas of the business including the Infrastructure, Private Equity and FCM Divisions, Marketing, Governance, Risk, Sustainability and People and Sustainable Culture.

Working groups

Since the end of the financial year, a review of the permanent working groups was undertaken. This resulted in streamlining the number of working groups down to three and updating their respective mission statements and memberships. Each working group consists of representatives from various business areas within Foresight as relevant to the purpose of the Group.

To ensure the performance of the working groups is monitored and reported to the Sustainability Committee, they are each chaired by the Group Head of Sustainability Operations.

- **Environmental:** focusing on climate and nature-based activities of the investment divisions and corporate business
- **Social:** working to better understand human rights and labour rights in the value chain in relation to the activities of the investment divisions and corporate business
- **Sustainability Reporting and Regulations:** focusing on compliance with laws and regulations, including requirements for sustainability communication and recommending opportunities for enhancing our reporting strategy

The Sustainability team is responsible for co-ordinating the strategic and operational sustainability work within Foresight Group.

Sustainability team

The Sustainability team is comprised of a number of sustainability professionals, including the Head of Sustainability Operations, who manage the day-to-day sustainability operations. The Team has close contact with the Group's Governance, Risk and Compliance teams, and provides support to the Group's sales/fundraising activities. The team provides written reports directly to the Board and the Head of Sustainability Operations may at times present directly to it.

Sustainability governance

Policies

During FY25 we established four new policies and refreshed two existing policies. These updates take account of the output of our double materiality analysis and investor demands, as well as changes in regulatory and voluntary frameworks. These are:

- **Sustainability Policy**
- **Responsible Investment Policy**
- **Sustainable Sourcing Policy**
- **Environmental Policy**
- **Human Rights Policy**
- **Group Code of Conduct**

Our policies cover the jurisdictions in which we operate and set out our baseline approach to the respective subjects. Where required, we will develop tailored approaches to allow for nuances across the jurisdictions and investment strategies at Foresight.

The **Sustainability Policy** sets out Foresight Group's high-level vision and commitment to identify and take steps to address material sustainability matters across our business operations. We are committed to take actions that decrease negative impacts, mitigate risk and capture opportunities.

To achieve this goal, this policy sets out the minimum standards for how we identify and manage these matters, across all our divisions, aligning with our strategic priorities and long-term objectives.

These standards cover our approach to mitigating the environmental impact of our operations; promoting the wellbeing, safety, equity and inclusion of our employees, workers across our value chain and the communities we operate in or influence; working towards positive outcomes for our customers and end-users; and upholding strong governance practices throughout our organisation.

The **Responsible Investment Policy** sets out Foresight Group's high-level vision and commitment to integrating material environmental, social and corporate governance issues into the full lifecycle of our investment decision-making processes including due diligence, portfolio management and exit processes. Where consistent with our fiduciary responsibilities, we apply the six UN Principles for Responsible Investment, recognising this as part of our duty to act in the best long-term interests of our investors and Shareholders. This policy integrates with the divisions' investment processes and includes a Group-wide investment exclusions list.

The **Sustainable Sourcing Policy** sets out Foresight Group's approach to sustainable sourcing by taking steps towards ensuring sourcing is from suppliers aligned with the standards of labour, human rights, environmental and sustainable conduct set out by the UN Global Compact. The policy implementation will prioritise suppliers based on their contract size, our overall spend and risk profile.

Principles of Responsible Investment

Signatory of:
PRI Principles for Responsible Investment

As a globally recognised benchmark for responsible investing, our PRI scores demonstrate the importance of integrating environmental, social and governance ("ESG") factors across all facets of our investment processes. Strong scores increase our credibility with investors, Stakeholders and regulators, enabling us to attract capital, while remaining accountable for our sustainability commitments.

Our results:

We were delighted with our results from the latest PRI assessment which showed 5 star scores across all modules completed, demonstrating our robust approach to responsible investing.

- Policy Governance and Strategy: 93% (★★★★★)
- Direct – Listed Equity (Active Fundamental): 96% (★★★★★)
- Direct – Private Equity: 95% (★★★★★)
- Direct – Infrastructure: 96% (★★★★★)
- Confidence-Building Measures: 100% (★★★★★)

PRI look-ahead:

While we are proud of these results, we anticipate changes in the PRI question set and weightings and will work to adapt to these changes and position ourselves as a leader in responsible investing. Robustness in data collection will be a key factor in this as the industry moves rapidly towards greater levels of assurance. We remain committed to maintaining our reputation by ensuring transparency and integrity in our approach to reporting.

Sustainability governance

Policies

The **Environmental Policy** outlines the measures Foresight is implementing to manage environmental risks and opportunities within our investment processes and operations. The policy focuses on addressing environmental matters that were identified as material in our double materiality analysis. These include climate change, pollution, water, biodiversity and resource use and the circular economy.

Foresight's **Human Rights Policy** outlines our commitment to respecting human rights, including labour rights and those of our value chain workers. It promotes mitigating negative impacts, ensuring due diligence processes are based on the UNGPs and OECD Guidelines for Responsible Business Conduct and emphasises the importance of working with suppliers to ensure that workers in our value chain also have safe, healthy and supportive work environments.

In addition, Foresight has adopted a **Group Code of Conduct**. Foresight is committed to act in a responsible manner and this Code describes the manner in which we want and expect our business to be conducted, and how our Stakeholder relationships are to be managed. To achieve that, this Code:

- Describes our culture, purpose and values as well as the standards for our behaviour and how we should make decisions
- Serves as our main policy on ethics and by complying with its principles, provides an ethical compass
- Provides general principles and guidance on how we should act and what we should do when we undertake our business activities

Furthermore, Foresight's Infrastructure division requires that new contracts adhere to an infrastructure-specific supplier code of conduct.

Members of the Foresight team

Sustainability strategy

FY25 commitment review

Foresight made 18 formal sustainability commitments for FY25[1], as outlined in the FY24 Sustainability Report. Progress on the commitment themes is as follows:

Investment processes

These commitments focused on enhancing due diligence processes across our three investment divisions and the corporate function. They primarily address improvements in response to the outputs of the double materiality analysis conducted in 2024, regulatory requirements and human rights considerations across the portfolio. During the year we made progress including updating our approach to materiality assessment, the development of a human rights action plan through our human rights working group and updates to our investment processes.

Risk

This commitment required the integration of the double materiality analysis into the Group Enterprise Risk Management framework ("ERM"). The risks identified as material have been integrated into the Group's ERM software solution and allocated a specific individual risk owner. Risk owners will be provided with training on the ERM software and, where appropriate, follow up training on risk identification and assessment. This will enable each risk owner, with support from the Risk team, to effectively monitor, manage and mitigate the risks for which they are responsible.

Governance

Throughout the year, we have significantly enhanced the Group's sustainability resources and published a Group Code of Conduct. In March 2025, we introduced our inaugural Responsible Investment Policy, which spans all three investment divisions. This policy integrates our investment processes and includes a Group-wide investment exclusions list.

Our people

The Group has continued to work towards our diversity and inclusion objectives within our own workforce. To further support the business as it continues to grow, the Group has expanded the Executive Committee and now includes female representation.

Climate

In FY25 we delivered against three key commitments covering climate scenario analysis, fund-level TCFD reporting and assessing the feasibility of carbon reduction targets and transition plans. Different methodologies are used for each asset class and results are presented separately within our climate disclosure (TCFD Report). Our Infrastructure division continued with their existing methodology, working with S&P Climanomics on annual TCFD-related climate risk and scenario analysis. We utilised climate risk assessment reports for four FCM funds using the MSCI Climate Value at Risk methodology and we plan to improve coverage where we can for our investment trusts. A process to assess climate risk and financial materiality has been incorporated in the investment process for our Private Equity division, enabling managers to evaluate physical and transition risks and assign impact scores.

All funds were assessed to identify those in scope of full public disclosure or "on demand". For the "on demand" funds, a TCFD reporting template has been developed.

FGEN has committed to net zero and has developed a transition plan which is now publicly available. This is currently Foresight's only fund with such a commitment. At the Group level, we continue to assess and compare net zero methodologies, with the intention to initiate and develop our Group-wide approach to net zero. This is likely to be a phased approach, beginning with our operational Scope 1 and 2 emissions. External investor groups are providing guidance, though the Net Zero Asset Managers Initiative has paused activities for a programme review. Inclusion of climate-related KPIs in remuneration strategies is linked to establishing carbon reduction targets, which will be detailed as part of our net zero recommendations.

Regulatory

These relate to the review and enhancement of investment due diligence processes and specific sustainable finance requirements (UK SDR, EU SFDR and sustainability claims rules).

Progress has been made in the Private Equity division's investment process. Additionally the FCM division received UK SDR Focus Labels.

We will continue to hold ourselves to account, ensuring we build in resilience for our business through effective regulatory horizon scanning.

1. For full list of commitments see page 242.

Sustainability strategy

Value chain overview

Foresight Group operates across three investment divisions and a corporate business, each with its distinct value chain. Key participants involve investors, assets, sub-contractors, suppliers of equipment and raw materials, purchasers and users of products. Our value chains are integral to our operations and were considered in our double materiality analysis. This analysis emphasised the importance of our value chains throughout the investment lifecycle.

Investment lifecycle and human factors

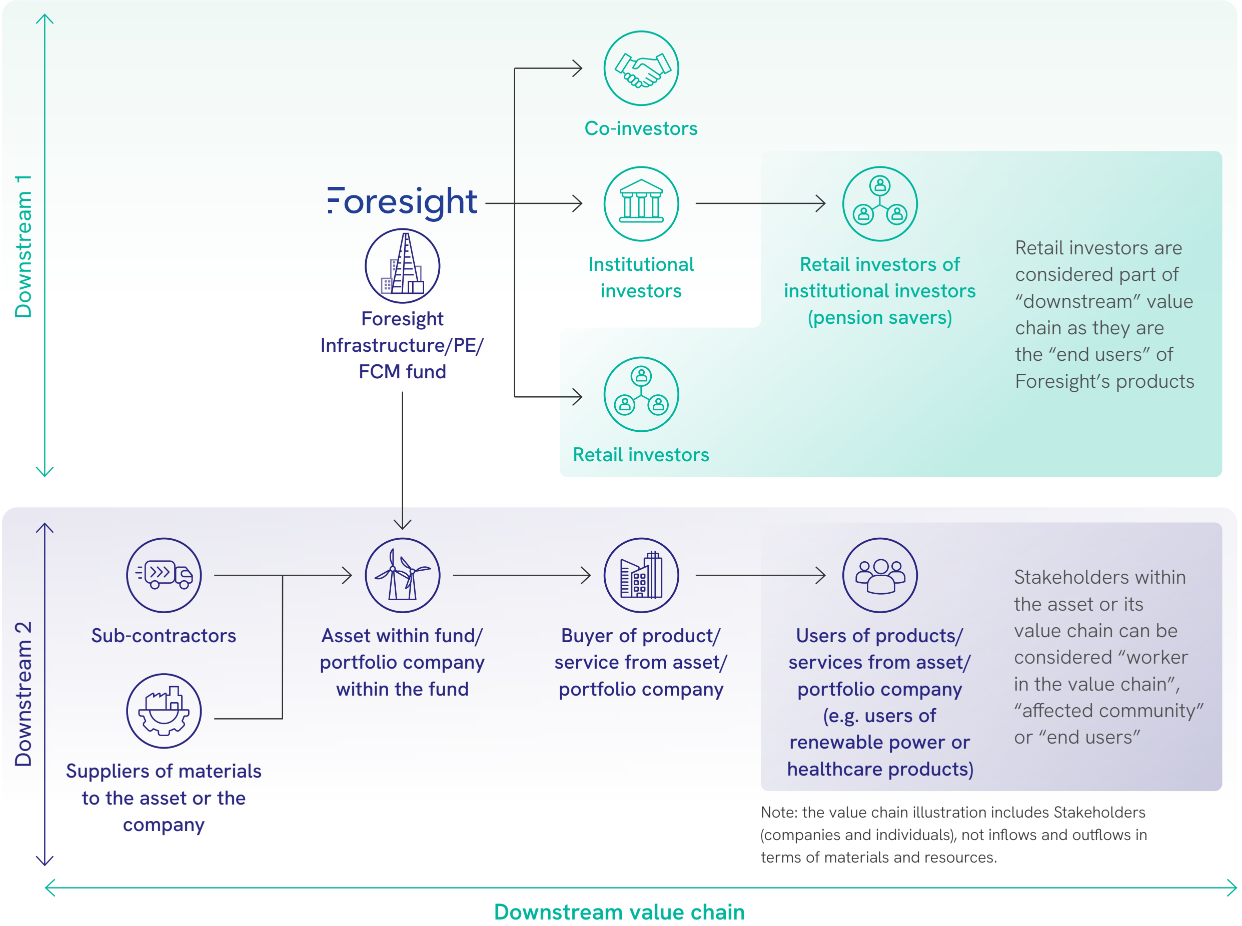
As part of our double materiality process last year, an independent third-party adviser evaluated our value chains focusing on the investment lifecycle and on human factors such as workforce and community impacts. This evaluation is a critical component of our due diligence processes which is supported by multiple tools and platforms to ensure a comprehensive review:

- **World Check:** Utilised across the business for standard due diligence checks
- **Ethixbase:** Specifically used by our Infrastructure division for enhanced ESG due diligence on higher-risk counterparties
- **Third-party DD:** Enables us to deep dive into risks and impact areas further down the value chain

Continuous improvement and future goals

We recognise there is much more to do to fully understand Foresight Group's value chain across our tier 1 and tier 2 suppliers. By gaining deeper insights into these areas, we aim to better identify and address potential risks, ensuring a more sustainable and responsible approach to our business operations.

Foresight investment streams' downstream value chain



Note: the value chain illustration includes Stakeholders (companies and individuals), not inflows and outflows in terms of materials and resources.

Sustainability strategy

Double materiality analysis

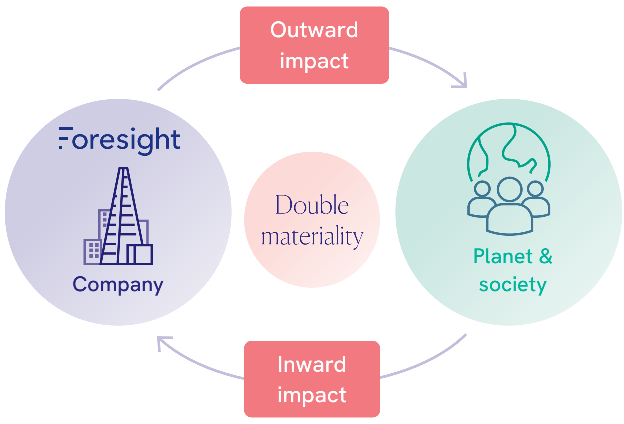
As reported in our last Sustainability Report, Foresight conducted a double materiality analysis in FY24. Our double materiality analysis approach is based primarily on the European Sustainability Reporting Standards ("ESRS") and also meets International Sustainability Standards Board ("ISSB") requirements.

The analysis was completed for each of the investment divisions, as well as the corporate entity. This process included assessing our own activities and considering our value chains.

The first step of the double materiality analysis involved a high level mapping exercise of our value chain and identifying our key Stakeholders, such as investors and employees.

With support from an independent third party, we conducted dialogues and surveys with key Stakeholders to understand their perspectives on sustainability. These dialogues were performed in accordance with the AA1000 Stakeholder Engagement Standard ("SES"). Understanding the concerns and priorities of our Stakeholders is important for determining which ESG factors are the most material.

We have assessed the environmental and social impacts based on both Foresight's internal operations as well as the geographical and sectoral exposure of our portfolio companies and assets, and their value chains. It involved analysing energy consumption, waste generation, greenhouse gas emissions, labour practices and community relations.



To conclude whether a sustainability topic was material from an impact perspective, we considered whether Foresight's impact is actual or potential, negative or positive, on people or the environment in the short, medium and long term. Additionally, for each identified impact, we have assessed the scale, scope, reversibility and likelihood over the short, medium and long term. We then assigned a total impact score to the topic.

The next step was evaluating the financial implications of ESG factors. This included assessing the magnitude of financial effects of the potential risks associated with climate change, resource scarcity, value chain workers or regulatory changes related to sustainability, among others.

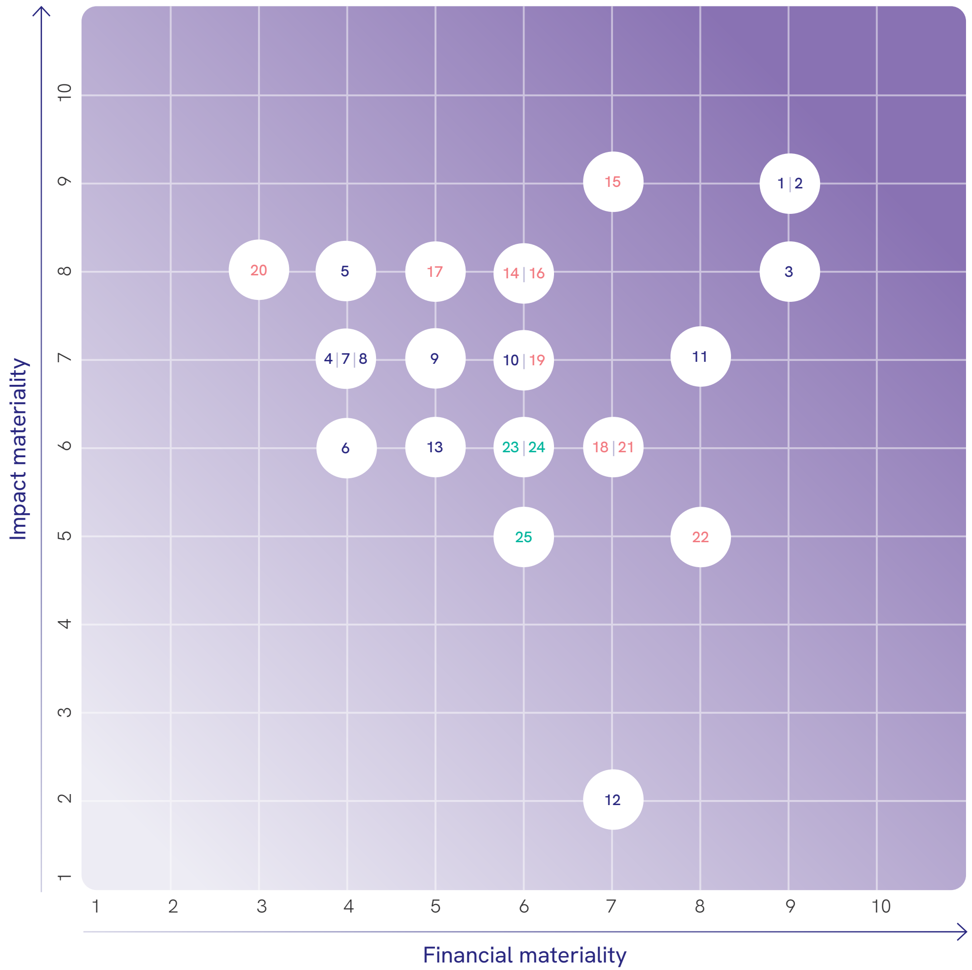
These were considered in the context of their likelihood. Furthermore, the assessment also involved identifying opportunities to improve efficiency, reduce costs and gain a competitive advantage through sustainable practices. We then assigned a total financial materiality score to the matter.

The results were presented to the Executive Committee, highlighting the sustainability topics most relevant for the Group, our portfolio companies and assets, their value chains and our investors. The key issues that emerged from the analysis have been taken into account during the formulation of our FY26 sustainability strategy.

The final outputs are shown on the heatmap on page 64, clearly identifying the most material matters.

Sustainability strategy

Double materiality analysis heatmap



Key: Environmental Social Governance

Environmental

Climate Change

Topic	Impact	Risk/Opportunity
1. Climate change adaptation	+	R O
2. Climate change mitigation	+ –	R O
3. Energy	–	R

Pollution

Topic	Impact	Risk/Opportunity
4. Pollution of air	–	
5. Pollution of water	–	
6. Pollution of soil	–	
7. Substances of concern	–	
8. Substances of very high concern	–	

Water and marine resources

Topic	Impact	Risk/Opportunity
9. Water	–	

Biodiversity and ecosystems

Topic	Impact	Risk/Opportunity
10. Impacts on the extent and condition of ecosystems	–	R

Resource use & circular economy

Topic	Impact	Risk/Opportunity
11. Resources inflows, including resource use	–	R
12. Resource outflows related to products and services	–	R
13. Waste	–	

Social

Own Workforce

Topic	Impact	Risk/Opportunity
14. Working conditions	+ –	R O
15. Equal treatment and opportunities for all	+ –	R O

Workers in the value chain

Topic	Impact	Risk/Opportunity
16. Working conditions	+ –	R
17. Equal treatment and opportunities for all	+ –	
18. Other work-related rights	+ –	R

Affected communities

Topic	Impact	Risk/Opportunity
19. Communities' economic, social and cultural rights	+ –	R O
20. Rights of indigenous communities	+ –	

Consumers & end-users

Topic	Impact	Risk/Opportunity
21. Information-related impacts for consumers and/or end-users	+ –	R
22. Social inclusion of consumers and/or end-users	+ –	R

Governance

Business conduct

Topic	Impact	Risk/Opportunity
23. Corporate culture	+ –	R O
24. Protection of whistle-blowers	+ –	R O
25. Corruption and bribery	+ –	R O

Key: Impact: + Positive – Negative | Risk/Opportunity: R Risk O Opportunity

Environment

Climate change

Material impact, risks and opportunities

The double materiality analysis concluded that the most material risks and opportunities for Foresight Group are climate change mitigation and adaptation, and the use and production of energy, which are relevant in the short, medium and long term. Results of the analysis for Foresight Group are presented below:

E1 – Climate change: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Climate change adaptation	Yes	+	Risk and opportunity
Climate change mitigation	Yes	+ –	Risk and opportunity
Energy	Yes	–	Risk

With a large focus on wind and solar assets in its Infrastructure Division Foresight contributes positively to climate change mitigation by supporting the transition to low-carbon energy systems. These technologies play a critical role in reducing carbon emissions and displacing fossil fuel-based electricity generation.

However, we recognise that our investments – whether in infrastructure assets, listed or private companies – can be associated with negative environmental impacts. These may include high energy use and emissions during the production and construction phases for infrastructure assets, as well as the reliance on virgin materials and resource-intensive processes across supply chains.

Further details on climate-related risks and opportunities can be found in the TCFD pages in this report.

Policies related to climate change

As previously communicated, Foresight has adopted several policies which highlight our commitment to progressively embed climate considerations in operations and investment decisions. Further details of these can be found under the Sustainability Governance section.

Sustainability Reporting: SMEs

In the Private Equity Division we have upgraded our sustainability reporting platform to enhance user experience and for the first time, enable the calculation of Scope 3 emissions. This upgrade introduces a dynamic dashboard, allowing our portfolio to easily track and monitor progress. Additionally, a resource library has been included to support continuous improvement for companies and provide training on sustainability topics. Impressively, 100% of the portfolio using the platform submitted data for Scope 1 and 2 emissions, although PCAF is still used for those not yet on the platform. While 51% of the portfolio on the platform fully completed Scope 3 emissions reporting, which was recommended but not mandatory, we aim to improve this with further engagement.

Construction of Kölvallen Wind Farm, Sweden, Part of Foresight's portfolio

Environment: TCFD

TCFD Compliance statement

As per UKLR 6.6.6R(8) our climate-related financial disclosures are consistent with the TCFD recommendations issued in June 2017 and recommended disclosures, except for the 'partial compliance' areas outlined in the summary table below. Where we identify gaps in the depth and maturity of our disclosures and implementation efforts we have provided explanations and outlined the actions we are taking to close these gaps. Our aim is to provide a meaningful insight into how climate-related considerations are being fully embedded across our business.

Thematic area	Recommended disclosure	Planned Implementation Enhancements	Location
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities Describe management's role in assessing and managing climate-related risks and opportunities	Climate-related matters are currently addressed within the broader context of sustainability. Management's role in assessing and managing climate risks is similarly embedded within wider environmental initiatives. We are now taking steps to strengthen and formalise climate governance, in line with TCFD expectations. Planned actions include delivering targeted training for Board members, formalising climate-related responsibilities within management, enhancing Board oversight through regular updates supported by relevant metrics and introducing climate as a standalone item on the Board agenda.	Section: Sustainability Governance pages 58 to 60 and 68
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning **(partial compliance)** Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario **(partial compliance)**	Foresight made significant progress in FY25 by conducting quantitative scenario analysis for its Infrastructure and FCM portfolios, as well as qualitative scenario analysis for a portion of the Private Equity portfolio. Building on these efforts, we are now advancing the integration of these insights into investment decision-making, risk management frameworks and strategic planning. Planned actions include identifying how climate-related variables influence key financial drivers – such as revenues, operating costs, capital expenditure, and asset valuations – and incorporating these factors into our valuation and forecasting models. We anticipate continued progress towards full alignment with TCFD recommendations between FY26 and FY28.	Section: TCFD Report – Strategy pages 69 to 83

Environment: TCFD

Thematic area	Recommended disclosure	Planned Implementation Enhancements	Location
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks Describe the organisation's processes for managing climate-related risks Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	We have made meaningful progress in FY25 with the incorporation of climate risks into risk registers and enhancements to risk classification tools. The focus now is on embedding these practices more consistently across all divisions and throughout the investment lifecycle, making them a practical and routine part of how investment and portfolio managers assess and manage risk. Integration of climate risks into the Enterprise Risk Management ("ERM") framework is ongoing, with continued efforts to align risk registers and processes across funds and business units to support effective Group-level oversight.	Section: TCFD Report – Climate Risk Management page 84
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets **(partial compliance)**	Foresight Environmental Infrastructure ("FGEN") became the first fund to voluntarily set a net zero emissions target in FY25, marking an important step in our climate commitments. We continue to evaluate the feasibility of Group and fund-level carbon reduction, net zero or other climate-related targets. Currently, climate-related KPIs are not incorporated into Board or Executive remuneration policies. For areas where alignment is still partial, we expect to make further progress toward full TCFD alignment between FY26 and FY28.	Section: TCFD Report – Metrics and targets pages 85 to 89

Environment: TCFD

Climate risks and opportunities

Foresight recognises that climate change presents both risks and opportunities that can have a material impact on our business.

While we do face some physical climate-related risks to our own operations – such as potential disruption to our offices from coastal flooding risk, particularly in London and Sydney – these are limited and less significant than the climate risks we are exposed to through our investment portfolios.

Physical and transition climate risks have the potential to materially impact the financial performance and long-term resilience of our investment portfolios. Physical risks can directly damage assets, disrupt operations or increase maintenance and insurance costs. Transition risks can alter the competitive landscape and render certain business models obsolete. These risks can influence valuations, increase operational costs or reduce future growth potential, ultimately affecting investor returns.

Conversely, the transition to a low-carbon economy creates opportunities for value creation through innovation, efficiency and investment in climate solutions.

Given Foresight's strong focus on climate solutions and renewable energy assets, we are well positioned to capitalise on emerging opportunities while also reducing vulnerability to transition risks.

Understanding and managing climate risks and opportunities is crucial for safeguarding the long-term value of our portfolio.

In the following sections, we outline our approach in accordance with the TCFD framework, covering governance, strategy, risk management and the relevant metrics and targets related to climate change.

Governance

Board governance

The Board's oversight of climate-related issues, including how relevant Committees and working groups contribute to informed decision-making, is addressed in detail in the Sustainability Governance section earlier in this report. That section outlines the structured processes in place to keep the Board regularly informed and engaged on climate-related risks and opportunities, ensuring effective integration of these considerations into the Company's broader governance framework.

While the Group has not yet set formal net zero targets, the Board remains engaged in evaluating evolving regulatory, market and investor expectations around decarbonisation.

Role of investment managers

Investment managers are playing an increasingly important role in integrating climate considerations into investment analysis and decision-making. The Sustainability team continues to lead the day-to-day management of climate-related issues, with a focus on strengthening processes, identifying gaps and leveraging emerging data and tools. These efforts are designed to support and empower investment managers to take on greater responsibility for managing climate-related risks and opportunities over time.

While data availability and methodologies continue to evolve – and investment teams are at varying stages of integrating climate into their workflows – the Sustainability team continues to support and collaborate with them to deepen understanding of climate impacts and enhance portfolio resilience.

As the Group's climate strategy matures, governance arrangements will continue to evolve to support clearer accountability, cross-functional co-ordination and integration of climate considerations into investment and risk oversight practices.

"At Foresight Group, we recognise that understanding and managing climate risk is not only a regulatory imperative, but a strategic priority. As the Board's sustainability representative, I see increasing momentum in how climate considerations are being incorporated into decision-making across the business. While this is an ongoing journey, we are taking important steps to strengthen our governance and risk frameworks in response to climate challenges. These risks – and the opportunities they bring – can affect all three of our divisions, and staying ahead of them is essential to protecting long-term value for our investors and contributing meaningfully to the low-carbon transition."

Alison Hutchinson, CBE
Senior Independent Non-Executive Director

Environment: TCFD

Strategy

Introduction

Foresight's climate strategy reflects the diverse nature of our business. While all divisions share a common commitment to understanding and managing climate-related risks and opportunities, they adopt different climate risk strategies and scenario analysis methodologies. This tailored approach ensures that the outputs are decision-useful and aligned with the specific characteristics of each asset class.

Infrastructure assets often have long lifespans and are more exposed to physical climate risks requiring location specific and longer-term physical risk assessments. In contrast, listed equities are more sensitive to market dynamics, regulatory shifts and investor sentiment, making transition risk scenarios – such as changes in carbon pricing or policy – potentially more relevant. Due to data limitations[1], varying equity stakes and levels of influence, private equity investments in small and medium-sized enterprises often call for more qualitative or tailored approaches.

The following tables present the key physical and transition risks and opportunities identified. These manifest in different ways and over different time horizons and sectors. The tables have been completed based on the results of risk assessments and scenario analyses. Methodologies and detailed findings are explored in detail in the following pages.

1. These include limited data on geolocations for all company sites and limited public disclosure from investee companies on climate risks and opportunities.

Glendevon Battery Storage, Scotland, Part of Foresight's portfolio

Environment: TCFD

Strategy

Overview of Group's exposure to physical risks

Physical risks						
Division	**Main hazard/risk**	**Vulnerable geographies and sectors**	**Methodology and risk range**	**How the risk could manifest**	**Time horizon**	**Mitigation and resilience**
Infrastructure	Water stress and temperature extremes	Risks concentrated in a subset of assets in the Australian portfolio and our very small agriculture portfolio (less than 0.1% of the divisional AUM).	**S&P Climanomics, Relative Annual Average Loss ("RAAL")** Assets subject to high aggregated physical risk (>10% in the central scenario by 2050) account for 4% of the portfolio's value, based on weighted average exposure. This number increases to 11% when adding assets subject to moderate physical risk (>5%), driven primarily by water stress and temperature extremes.	• Australian assets, primarily hydropower and natural gas plants, are exposed to water stress and extreme temperatures due to the country's inherently dry climate, high baseline temperatures and increasing variability in rainfall. • Agriculture assets are more sensitive to changes in water availability and heat extremes, which can reduce crop yields, strain irrigation systems and increase maintenance and insurance costs.	M L	• Despite moderate to high exposure for a subset of assets, the portfolio shows a low aggregated RAAL in the central scenario, with AUM-weighted financial losses equivalent to 1.27% per year between 2050 and 2059. • Geographic and technology diversification across the division, including within the Australian portfolio, helps mitigate exposure to localised physical climate risks.
FCM	Droughts and prolonged river low flow	Physical risks concentrated on infrastructure and real estate assets in GRIF and FIIF. Geographically diversified: Europe, the UK, the US and the Asia-Pacific region.[1]	**MSCI, Climate Value-at-Risk ("VaR")** Physical Risk Climate VaR of -7.3% for FIIF, and -9.9% for GRIF in the central scenario (funds cumulative loss in value by 2100 due to physical climate risks).	• Prolonged droughts and reduced river flow can lead to operational disruptions and increased costs in industries reliant on water for cooling, agriculture and manufacturing.	S M	• Exposure is counter-balanced by positive technology opportunities VaR (valuation impact due to exposure to low-carbon technologies). • Portfolio diversification across geographies and technologies reduces exposure to localised climate events and sector-specific vulnerabilities.
Private equity	Flooding (fluvial, pluvial and coastal) and droughts	UK and Ireland.	In-house qualitative assessment.	• More frequent and intense storm events can impact SMEs in low-lying or urban areas, leading to damage to premises, stock or equipment, loss of access for staff and customers, and increased insurance costs. • Summer droughts can cause water shortage, reduce agricultural yields, affect power generation and cooling processes.	S M	• Most of our VC and PE investments are in SMEs, where most value lies in intellectual property, human capital, relationships with customers and suppliers, resulting in limited direct exposure to physical climate risks.

1. GRIF stands for Foresight Global Real Infrastructure Fund and FIIF stands for Foresight UK Infrastructure Income Fund.

Key: S Short (0-5 years) M Medium (5-10 years) L Long (+10 years)

Environment: TCFD

Strategy

Overview of Group's exposure to transition risks and opportunities

Transition risks and opportunities | Group (Infrastructure, FCM, Private Equity)			
Risk/opportunity type	How the risk/opportunity could manifest	Time horizon	Mitigation and resilience
Regulation	**Opportunities:** A supportive policy environment to renewables and climate solutions helps to de-risk investment, lower financing costs and expand market opportunities. **Risks:** Higher-carbon parts of the portfolio face increased regulatory risk from tightening climate policies. Simultaneously, inconsistent climate and energy policies (including subsidy cuts, delays in grid reforms or shifts in direction following changes in government) can disrupt revenue models and investment planning for renewables.	S M	• Low exposure to carbon-intensive assets as percentage of AUM reduces exposure to regulatory risks and stricter climate policies (e.g. carbon taxes, emissions limits, clean energy mandates). • EU policy support continues to drive the expansion and competitiveness of renewable energy across the region.[1]
Litigation/Reputation	**Opportunities:** Proactive alignment with emerging climate and nature regulations can build trust, reduce risk and improve access to capital if disclosures are accurate, transparent and aligned with best practices. **Risks:** New regulatory frameworks and stringent reporting requirements raise expectations for transparency and increase compliance costs, as well as reputational or litigation risks if disclosures are perceived as insufficient or inaccurate.	S M	• Recent growth of the Sustainability team allows us to strengthen internal processes, review new standards and frameworks, monitor regulatory developments and improve data quality.
Market (e.g. carbon pricing and fluctuating energy prices)	**Opportunities:** Carbon pricing and high energy prices can boost the competitiveness and profitability of renewables, increasing demand for stable and flexible renewable energy assets. **Risks:** Low energy prices directly reduce revenues for renewable assets operating under a merchant model or selling into wholesale markets. Volatile prices make investment planning and forecasting more difficult, increasing perceived risk for investors overall. The most carbon-intensive parts of the portfolio may see rising operational costs and shrinking margins as carbon pricing increases.	S M	• Proactive use of power price forecasting alongside a diversified approach to energy offtake and procurement (PPAs, merchant, subsidy support, etc.) across the Infrastructure portfolio limits over-exposure to market fluctuations. • Low exposure to carbon-intensive assets as a percentage of AUM reduces exposure to carbon pricing risk.
Technology	**Opportunities:** Climate transition accelerates innovation in energy storage, grid integration and digital optimisation. **Risk:** The development and rapid deployment of more efficient technologies at scale may reduce the competitiveness of older assets, potentially diminishing their value, shortening their operational life or increasing the risk of stranded assets.	S M L	• A renewable-focused infrastructure portfolio is well positioned to benefit from technology-driven opportunities. • Our listed and private equity funds are equipped to invest across a broad range of opportunities, including early-stage technology companies.

1. https://europa.eu/newsroom/ecpc-failover/pdf/ip-25-1337_en.pdf.

Key: S Short (0-5 years) M Medium (5-10 years) L Long (+10 years)

Environment: TCFD

Strategy

Infrastructure

ESG due diligence pre and post investment

The Infrastructure division is strengthening its approach to climate risk and sustainability by aligning more closely with the emerging set of widely accepted investor, regulatory and sustainability frameworks. Meanwhile, the division's proprietary Sustainability Evaluation Tool ("SET"), which historically supported the evaluation of ESG and climate-related factors as part of pre-investment due diligence, has been re-designed to act primarily as a tool for ongoing monitoring of these considerations within portfolio management.

Where appropriate, alignment with these frameworks may require the engagement of third-party service providers. As an example, as of FY26, climate-related due diligence and monitoring will be conducted using a third party that applies advanced climate models and datasets to assess both acute and chronic physical risks in alignment with the EU Taxonomy's Climate Risk and Vulnerability Assessment ("CRVA").

These assessments are intended to form the basis for long-term climate risk monitoring and will serve as a reference point for ongoing risk management. They will be owned by Portfolio Managers, who also work closely with site operators and counterparties to monitor climate-related impacts on asset performance and develop mitigation plans.

To strengthen internal capabilities, the division is also piloting a new geospatial risk platform developed with Frontierra, designed to generate location-based insights into climate and nature-related risks. Following development, the platform is now undergoing initial testing and implementation across the Infrastructure Investment and Portfolio Management teams in FY26.

Infrastructure climate risk framework

Since 2022, Foresight has undertaken scenario modelling of its Infrastructure portfolio. In FY25, the Infrastructure Division once again used the Climanomics platform, which relies on the Shared Socioeconomic Pathways ("SSPs") generated by the Intergovernmental Panel on Climate Change ("IPCC") as the basis for its analysis[1].

The methodology uses asset-level geographic co-ordinates, emissions, asset type, valuations and sector classifications to evaluate the exposure of each asset to eight climate hazards (coastal, pluvial and fluvial flooding, drought, temperature extreme, tropical cyclone, water stress, wildfire and landslide) and five transition risks (carbon pricing, litigation, technology, reputation, market).

Geolocation is essential for infrastructure, as similar assets can face vastly different climate risks depending on where they are situated. Their long lifespans also increase exposure to cumulative impacts like water stress, temperature extremes and coastal flooding, making location-specific insights vital for targeted adaptation.

Core results are presented in terms of relative risk: the percentage of an asset's value that is estimated to be at risk from physical or transition risks. For instance, a relative risk of 5% by 2050 means that, on average, the expected financial loss from climate risk is equivalent to 5% of the asset's value across the decade (e.g. 2050-2059).

In our assessment, SSP2-4.5 is chosen as the central scenario as it reflects the most probable pathway based on current policies, commitments and climate trajectories.

Results are presented with a particular focus on the 2050-2059 period, reflecting both global net zero commitments by mid-century and the expected lifespan of many of our assets[2].

1. SPG_S1_Climanomics_Methodology.pdf.
2. The Climanomics assessment covered 547 assets, including those in development, pre-construction, construction, commissioning and operational stages, with a total asset value of $9.84 million. Including assets at all stages is essential for a comprehensive climate risk assessment, which explains the higher asset count compared to earlier figures in this report. The total asset value cited here – as a proxy for AUM – is lower than the previously reported division AUM, primarily because it excludes fund-level debt, reflects proportional ownership rather than full asset value for managed assets, and uses Net Asset Value (excluding investor commitments) for certain funds.

Environment: TCFD

Strategy | Infrastructure

Overview of climate scenarios

Scenario	Description
SSP1-2.6 (Low climate change scenario)	Aggressive mitigation in which total GHG emissions reduce to net zero by 2050, resulting in a global average temperature increase of 1.3-2.4°C by 2100. This is consistent with the goals of the Paris Agreement.
SSP2-4.5 (Medium climate change scenario)	Aggressive mitigation in which total GHG emissions stabilise at current levels until 2050 and then decline to 2100, resulting in a global average temperature increase of 2.1-3.5°C by 2100.
SSP3-7.0 (Medium-high climate change scenario)	Limited mitigation scenario in which total GHG emissions double by 2100, resulting in a global average temperature increase of 2.8-4.6°C (this averages to 3.6°C).
SSP5-8.5 (High climate change scenario)	Low mitigation scenario in which total GHG emissions triple by 2070 and global average temperatures increase by 3.3-5.7ºC ("worst-case" scenario).

Climate resilience

Physical risks

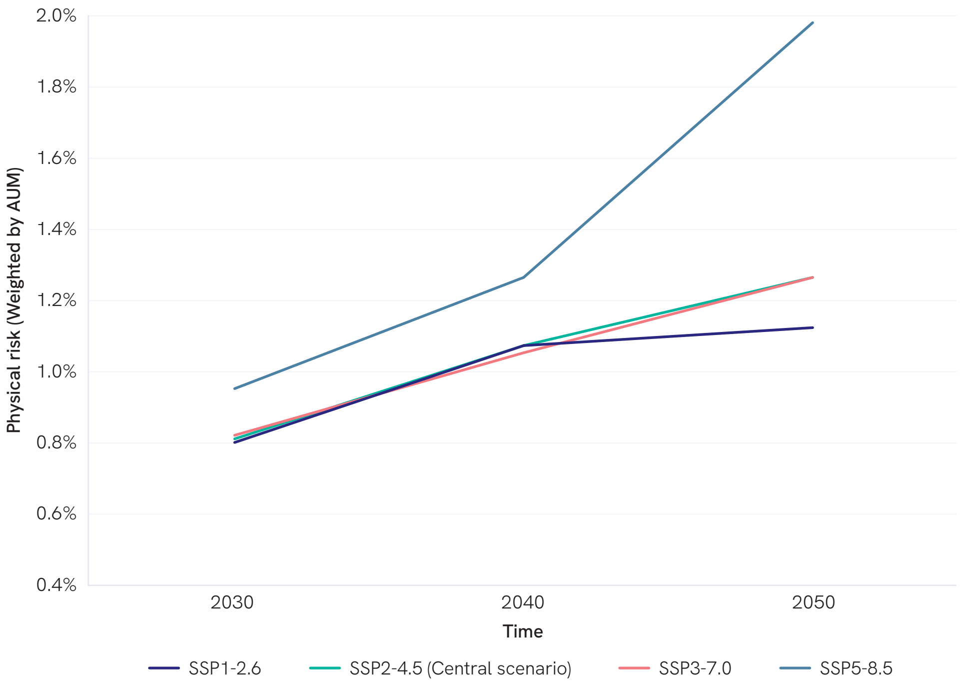
All assets were assessed for eight physical climate hazards, with individual hazard risks combined into a single % at risk per asset. These were then weighted by each asset's share of total AUM to calculate a portfolio-level average, ensuring larger assets have a proportionally greater impact.

The following thresholds for the combined percentage of risk were applied:

- 0-5% – Minimal
- 5-10% – Moderate
- >10% – High

The chart opposite shows the resulting total physical risk (AUM weighted) across three decadal time horizons. In this aggregated view, physical risk remains low across all scenarios.

Infrastructure portfolio – aggregated relative physical risk (in %)



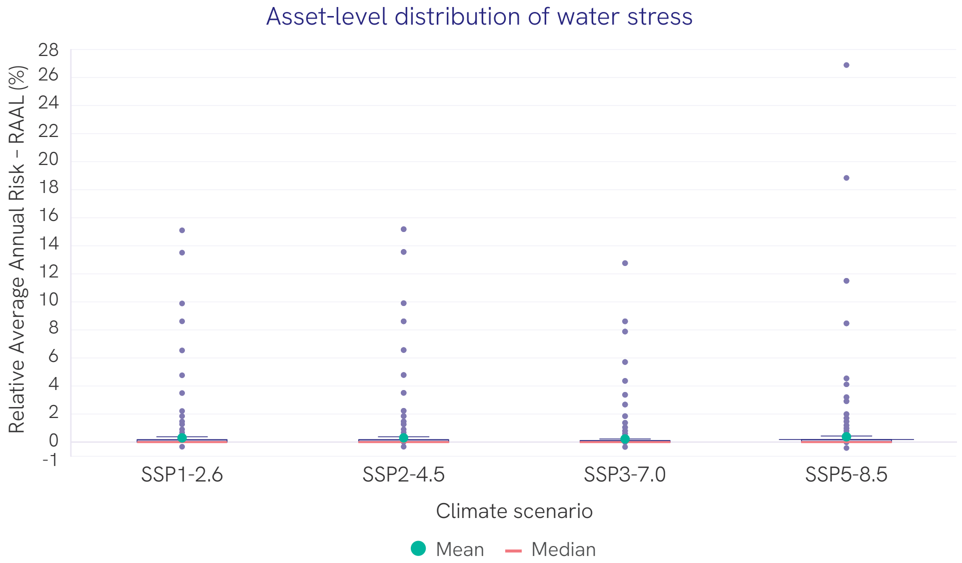
Under the central SSP2-4.5 pathway, risk increases moderately to 1.27% by 2050. This means that, on average, the expected yearly financial loss from climate risk is equivalent to 1.27% of the whole portfolio value between 2050-2059. The high-emissions SSP5-8.5 scenario shows a steeper rise, though total portfolio risk still remains below 2% by 2050.

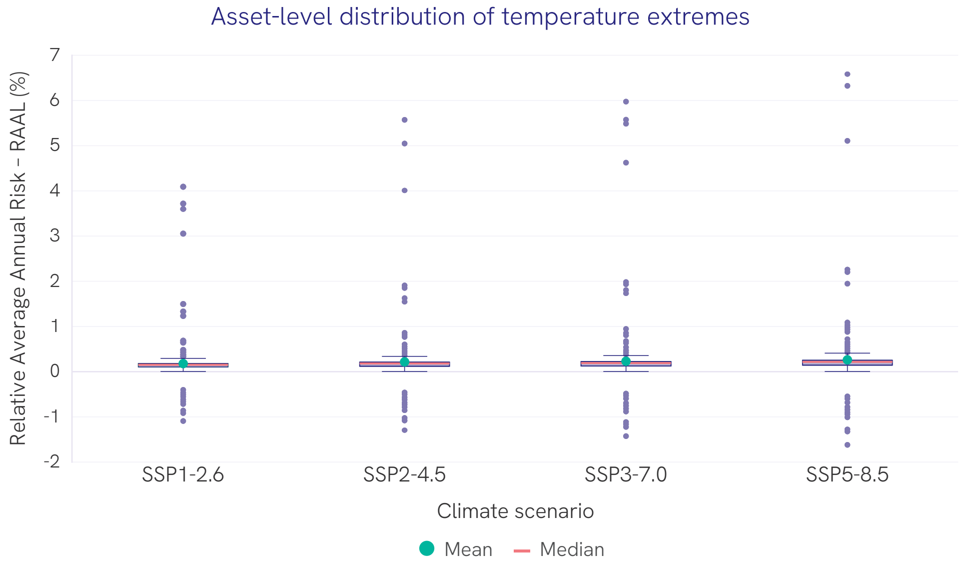
While the aggregated view offers a useful high-level perspective on overall portfolio exposure, it can obscure significant variations in risk at the asset level. Certain assets or sub-sectors may be disproportionately exposed to specific physical hazards, even when total portfolio risk appears modest.

Environment: TCFD

Strategy | Infrastructure

The box charts below help us visualise this concentration of risk at the asset level for the two most significant physical hazards for our portfolio: water stress and temperature extremes.





In both charts, the median and mean values are both near zero across all scenarios, suggesting that most assets in the portfolio are minimally affected by these hazards. However, the presence of outliers with risk exceeding 5% in the case of temperature extremes, or 10% in the case of water stress, indicates that some assets face significant exposure. The average remains low, but targeted mitigation might be needed for higher risk assets.

Impacts from water stress and temperature extremes are concentrated in a subset of assets in the regenerative agriculture sector and our Australian portfolio, underscoring the importance of targeted mitigation strategies.

Our regenerative agriculture portfolio is currently small, representing less than 0.1% of total AUM. In contrast, our Australian portfolio represents approximately 35% of the divisional AUM, making risks in that region more financially significant. Australia's geographic location and exposure to climate patterns like El Niño make it particularly vulnerable to prolonged dry spells, heatwaves and shifting precipitation patterns.

Environment: TCFD

Strategy | Infrastructure

Australian assets with moderate or higher physical risk (above 5%) – including a hydropower plant, natural gas facilities and a road transport asset – make up about 11% of the division's weighted asset value, highlighting the need for close monitoring of climate risks in the Australian portfolio. This risk is partially mitigated by our diversified exposure within Australia across a range of sectors and asset types – including over 20 wind and solar plants – many of which face lower physical climate risks.

Conversely, as seen in the box chart, temperature extremes show a limited but concentrated positive impact on certain asset types, particularly solar battery storage and anaerobic digestion facilities in the UK and Europe. This is largely due to the improved efficiency of microbial processes in anaerobic systems at higher temperatures, and the potential for increased solar generation in regions with moderate warming – though these gains remain modest, never exceeding 1.3% per asset by 2050 in the central scenario.

Although water stress and temperature extremes stand out as key risks that require ongoing attention, the overall portfolio demonstrates strong resilience to most climate hazards.

Notably, our solar and wind assets – which account for 56% of all infrastructure assets and approximately 50% of the division's AUM – perform well under the central scenario (SSP2-4.5), with no individual asset facing more than 2.8% annual risk on average from any single hazard.

For the portfolio as a whole, our sectoral and geographic diversification enhances resilience by limiting exposure to any single physical climate risk, lowering the chance that one event or hazard will have a disproportionate financial impact on the overall portfolio.

Transition risks

Assessment of transition risks is limited by the necessary simplification of sector-specific assumptions and the challenges of accurately modelling the net present impact of carbon pricing while accounting for regional differences. Carbon price estimates across scenarios vary widely, ranging from approximately \$20 to over \$200 per tonne of CO_2e by 2050.

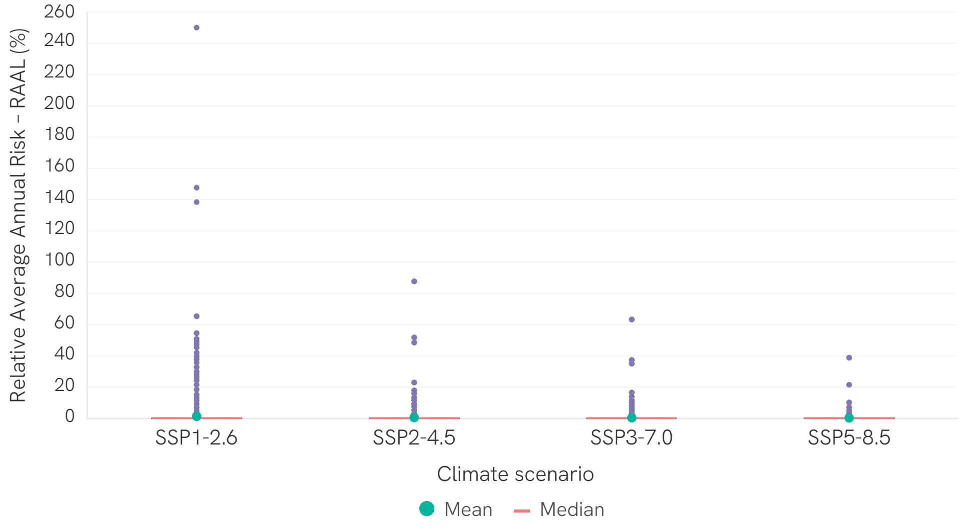
These limitations provide useful context in explaining the results in the chart opposite, with modeled carbon pricing responsible for the wide variation across the portfolio. Points in the chart correspond to individual assets' risk exposure to each transition risk category (carbon pricing, litigation, technology, reputation and market risk).

For certain gas-fired power plants, including reserve power, future carbon costs (expressed in net present value) can approach 50% by 2050. This estimate is subject to considerable uncertainty due to the compounding effect of long-term discounting and inflation assumptions.

Exposure to other transition risks (litigation, market shifts, reputational damage and technological disruption) is minimal, consistently below 1% across all assets and all scenarios.

Across all four SSP scenarios, both the mean and median cluster near zero, indicating that the majority of assets carry negligible aggregated transition risk, and that the overall portfolio average risk is not disproportionately influenced by extreme outliers.

Asset-level distribution of transition risk



Environment: TCFD

Strategy | Infrastructure

While recognising the limitations of the model's simplified assumptions, results align with expectations in the sense that higher-carbon segments of the portfolio are subject to elevated transition risks. These risks are largely concentrated in our natural gas-fired power plants, which, while responsible for 69% of total infrastructure emissions, comprise less than 10% of the division's AUM.

Given that our portfolio is primarily composed of renewable energy assets, our overall transition risk remains relatively low. Renewables are less exposed to carbon pricing and market shifts associated with decarbonisation pathways, providing us with a more resilient position as the energy transition progresses.

Opportunities

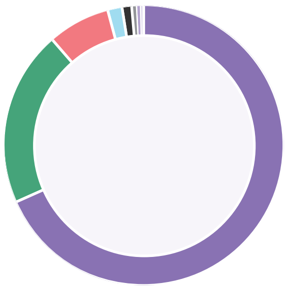
While the TCFD framework is primarily focused on climate-related risks, our portfolio is uniquely positioned within the opportunity segment of the energy transition. As an infrastructure investor focused on renewable energy assets, particularly wind and solar, we see climate change mostly as a catalyst for long-term value creation.

With 7.6 TWh of renewable electricity generated and 3.9 GW of installed renewable energy capacity in FY25[1], the portfolio is well positioned to benefit from increasing demand for clean energy. In the UK alone, renewable generation from the portfolio powers the equivalent of 2.8 million homes annually.

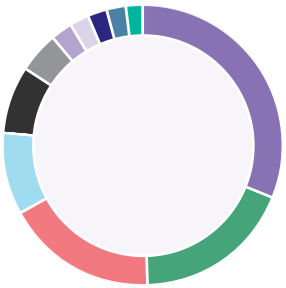
Overall, our portfolio results in the avoidance of approximately 2.8 million tonnes of CO_2e emissions per year compared to the grid[2], making a significant contribution to climate mitigation goals.

Beyond wind and solar, our investments in anaerobic digestion facilities, forestry and regenerative agriculture expand our climate positive impact. Anaerobic digestion not only reduces landfill use and methane emissions but also creates reliable baseload power, complementing intermittent renewables. Our natural capital investments, although still a small part of our portfolio, present a compelling nature-based solution to climate change by sequestering carbon in soil and trees while enhancing long-term soil productivity and biodiversity.

Infrastructure – By technology[3]



Infrastructure – Technology allocation by AUM[3]



1. This figure includes wind and solar, solar batteries, hydropower, geothermal, biomass and anaerobic digestion facilities (operational assets only) and covers the period April 2024-March 2025.
2. This figure includes wind and solar, solar batteries, hydropower, anaerobic digestion, biomass and energy-from-waste facilities (operational assets only) and covers the period April 2024-March 2025.
3. Encompassing 420 operational assets with a total asset value of $8.38 billion. Gas generation includes power plants, reserve power and gas pipeline. Wind includes onshore and offshore, and solar includes farms and rooftops. Non-energy waste includes wastewater treatment and waste management. Transport includes airport, electric buses, ferry, port and roads. In the second chart, others also include non-energy waste. Social infrastructure includes hospitals, schools, social housing and student accommodation. Others include forestry, hydropower, CNG refuelling stations, agriculture, street lighting, storage (battery), glasshouse & vertical farms and anaerobic digestion. Emissions chart excludes Scope 3 emissions which are currently estimated.

Environment: TCFD

Strategy

Foresight Capital Management

ESG due diligence pre and post investment

In FY25, we began restructuring the division's processes and aligning with the IFRS S2 framework to enhance the assessment of climate-related disclosures from individual listed companies.

Data is predominantly sourced from investee companies' publicly available disclosures – such as Annual Reports, sustainability or TCFD Reports and CDP questionnaires – supplemented with key metrics and peer comparisons from Bloomberg's ESG datasets. Together, these sources provide a comprehensive understanding of how companies are managing climate-related risks and opportunities, and the potential implications for long-term performance and risk exposure.

To support appropriate monitoring, the Lead Sustainable Investment Manager attends weekly investment meetings with equity analysts and portfolio managers. Climate-related matters are considered as part of these meetings, though they are not yet a standing agenda item. In FY26, the Sustainability team will further enhance the monitoring process to ensure that company assessments are formally reviewed and updated on a quarterly basis.

Further, the Sustainability team engages with investee companies to advocate for enhanced disclosure of climate-related information and encourage sustainable practices. Updates on these efforts are provided in the FCM Annual Stewardship Report, ensuring transparency and accountability.

FCM climate risk framework

Foresight Capital Management's approach to scenario analysis involves applying MSCI's Climate Value-at-Risk (Climate VaR) model to our equity holdings.

This enables us to assess the potential business impacts of risks and opportunities under different climate scenarios to 2100. The aggregated company Climate VaR is calculated as a percentage of market value (from -100% to +100%) for a series of climate scenarios and includes the valuation impacts arising from technology opportunities, policy risks and physical risks.

MSCI's climate scenarios are built on standardised pathways developed by the Network for Greening the Financial System ("NGFS") and the International Energy Agency ("IEA").

The assessment was conducted for four FCM funds[1] using the following scenarios:

- **2°C NGFS Orderly (baseline):** A well co-ordinated and gradual transition to a low-carbon economy, with policies and measures implemented in a timely manner to limit global temperature rise to 2°C above pre-industrial levels
- **1.5° REMIND NGFS Orderly:** A well co-ordinated and ambitious transition to limit global temperature rise to 1.5°C, with rapid and far-reaching changes in all aspects of society
- **1.5° REMIND NGFS Disorderly:** A less co-ordinated and more disruptive transition to limit global temperature rise to 1.5°C, with significant economic and social impacts
- **3° REMIND NGFS NDC:** Current policies and Nationally Determined Contributions ("NDCs") are implemented. Significant variations between jurisdictions, insufficient at scale and leading to a global temperature rise of 3°C above pre-industrial levels

It is important to note that FIIF's portfolio includes a significant allocation to UK investment trusts, which are not comprehensively captured by MSCI's methodology. As a result, MSCI's climate risk assessments are less representative for FIIF than for FCM's other funds.[2]

1. The four FCM funds are: Foresight UK Infrastructure Income Fund ("FIIF"), Foresight Global Real Infrastructure Fund ("GRIF"), Foresight Sustainable Real Estate Securities Fund ("REF") and Foresight Sustainable Future Themes Fund ("SFT").
2. FIIF's MSCI methodology coverage is 32.3%; GRIF 71.6%; SFT 93.7%; REF 98.3%. The UK investment trusts held by FIIF primarily invest in clean energy infrastructure and core infrastructure assets. These holdings are considered to have minimal exposure to transition risks, given their alignment with low-carbon objectives. However, they may still face exposure to physical risks, particularly extreme weather events. As a result of these data limitations, there is a risk that FIIF's climate-related exposures are being underestimated.

Environment: TCFD

Strategy | Foresight Capital Management

Climate resilience

Snapshot on transition risks and opportunities

	Green revenue exposure	Renewable power generation exposure	Thermal coal exposure (any tier)	Thermal coal (apportioned fuel mix, % of generation)	Fossil fuel-based revenue exposure
REF FP Foresight Sustainable Real Estate Securities Fund	22.9%	100.0%	4.1%	—	0.1%
SFT FP Foresight Sustainable Future Themes Fund	22.5%	82.5%	5.7%	3.6%	0.2%
GRIF FP Foresight Global Real Infrastructure Fund	22.4%	70.7%	—	—	1.6%
FIIF FP Foresight UK Infrastructure Income Fund	5.1%	47.2%	—	—	0.4%
Benchmark (MSCI AC WORLD INDEX)	8.8%	12.4%	3.8%	22.3%	3.2%

All four funds have minimal exposure to thermal coal power or revenue from activities related to fossil fuels (including extraction, production, distribution and usage). This is in line with the funds' mandates and reflects a strong alignment with low-carbon transition goals.

Simultaneously, REF, SFT and GRIF have considerably higher exposure to green revenues (a weighted average of revenue exposure to alternative energy, energy efficiency, green building, pollution prevention, sustainable water and sustainable agriculture). All portfolios are overweight in terms of exposure to renewable power generation relative to the MSCI AC World Index, with REF having 100% exposure.

The minimal exposure to fossil fuels, coupled with the high exposure to renewable power generation and green revenue, indicates the funds are well positioned for a low-carbon future economy and have low exposure to transition risks.

Financed carbon emissions (tonnes CO_2e/GBP million invested)

	Scope 1+2 (direct + purchased energy)	Scope 3 upstream (supply chain emissions)	Scope 3 downstream (product use emissions)
REF FP Foresight Sustainable Real Estate Securities Fund	12.1	29.6	22.7
SFT FP Foresight Sustainable Future Themes Fund	38.5	180.1	101.6
GRIF FP Foresight Global Real Infrastructure Fund	25.4	39.3	10.5
FIIF FP Foresight UK Infrastructure Income Fund	27.3	27.2	21.3
Benchmark (MSCI AC WORLD INDEX)	52.3	98.8	255.8

All funds have significantly lower Scope 1 and 2 and Scope 3 downstream emissions compared to the benchmark.

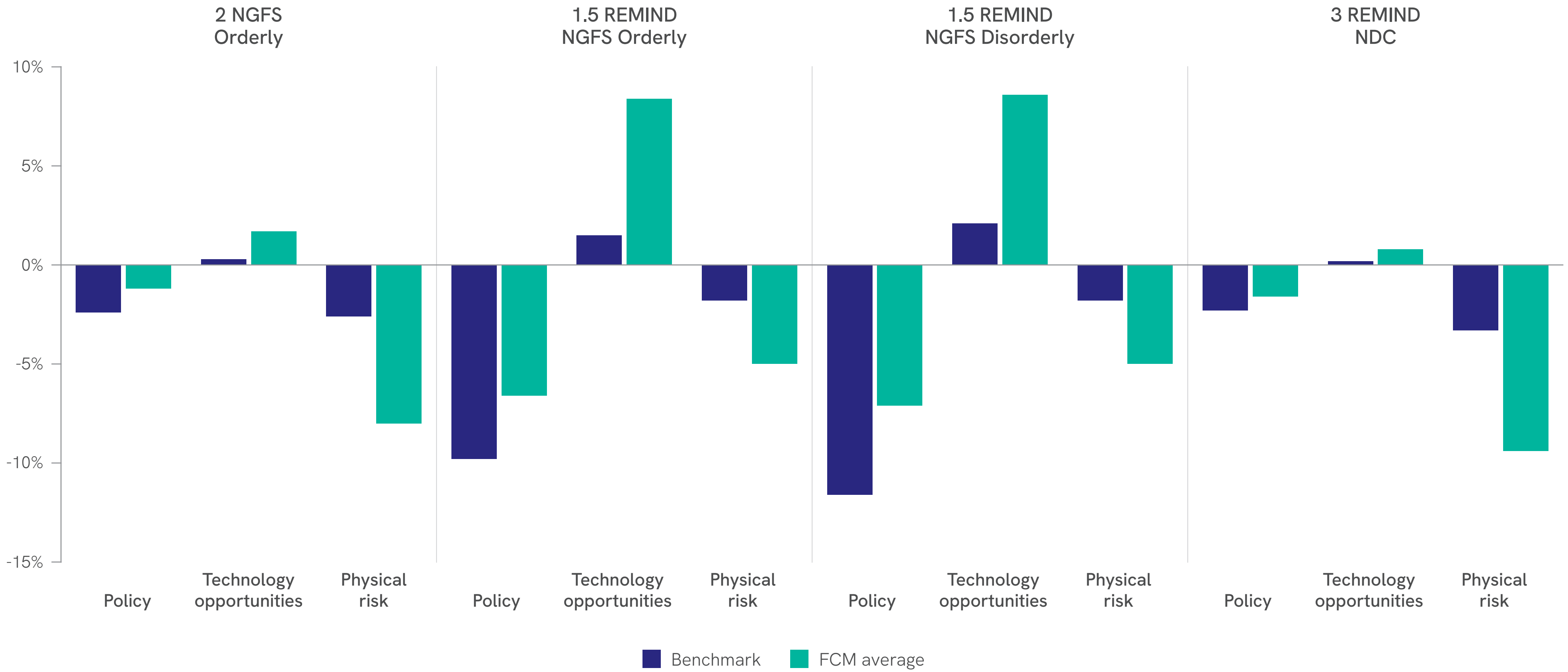
Scope 3 upstream emissions are lower for all funds except the FP Foresight Sustainable Future Themes Fund. This fund targets businesses aligned with key sustainability themes including clean energy, resource efficiency and digital infrastructure. By focusing on companies providing sustainable solutions to environmental and societal challenges with strong potential to reduce emissions in the future, the Fund is currently exposed to industries that inherently have higher upstream emissions at present. For example, the manufacturing and construction of wind turbines or electrical cables – crucial to the energy transition – tend to have higher upstream emissions due to the energy and materials required in their supply chains.

Environment: TCFD

Strategy | Foresight Capital Management

The chart below shows the Value-at-Risk for the whole division across the different scenarios. The aggregate number reflects the funds' weighted average for each category: physical risk, transition risk and technology opportunities. A negative Physical Climate VaR indicates a potential downside (value loss) due to physical impacts. In the same way, a negative Policy Climate VaR means that future climate policies – such as carbon taxes, stricter emission regulations or other government actions – are expected to reduce the value of the portfolio, and vice-versa. As for the Technology Opportunities Climate VaR, a positive number indicates expected financial gain from climate-related technology innovation and adoption.

Climate Value-at-Risk



Environment: TCFD

Strategy | Foresight Capital Management

Key findings are outlined below. Assumptions about future climate policies, technological developments and physical climate impacts are unable to fully capture the complexity of future scenarios. Instead of focusing on individual numerical results, we focus on trends and differences between scenarios as the best way to gain insights into potential future risks and opportunities.

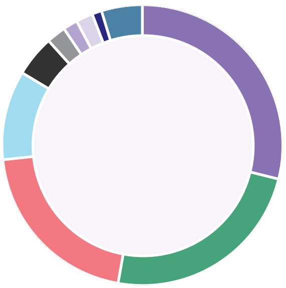
Physical and transition risks

- Due to the funds' strong focus on infrastructure assets, the division has a higher weighted average value at risk ("VaR") from physical risks relative to the benchmark. This is more pronounced in the 3°C scenario, which reflects insufficient global action to reduce emissions. This is to be expected given that real assets have fixed locations and long lifespans, which exacerbates their exposure to localised physical hazards.
- River low flow caused by prolonged drought is identified as the biggest physical risk for the FCM portfolio. It can lead to operational disruptions and increased costs in industries reliant on water for cooling, agriculture and manufacturing. Extreme heat emerges as the second biggest physical risk.

Opportunities

- Across all scenarios, the division's weighted average value at risk ("VaR") outperforms the benchmark in relation to climate-related opportunities – such as renewable energy and sustainable infrastructure – and transition risks, including the impacts of stricter climate policies like carbon pricing. This outperformance is particularly notable in the 1.5°C scenario, highlighting the fact that FCM stands to benefit from robust climate mitigation efforts.
- In relation to the baseline, all funds individually show an increase in Technology Opportunities Climate VaR in the 1.5°C scenarios. SFT (14.1%) and GRIF (17.7%) are particularly well positioned to benefit from a rapid decarbonisation of the global economy.

FCM's sectoral distribution[1]



- Renewables | 29.1%
- Diversified infrastructure | 23.8%
- Digital infrastructure | 20.3%
- Healthcare | 10.2%
- Electrical utilities | 4.8%
- Transport | 2.3%
- Energy efficiency | 1.9%
- Logistics | 1.9%
- Forestry | 1.1%
- Others | 4.6%

- The results are consistent with the expectations for the FCM funds as these are specifically designed to capitalise on long-term sustainability trends and the transition to a low-carbon economy. These funds have minimal or non-existing links to fossil fuels and high exposure to low-carbon economy-aligned sectors such as renewable energy, clean industry and resource efficiency, which are expected to thrive under stricter climate policies. Their positive Technology Opportunities VaR indicates that they stand to gain from the growing adoption of low-carbon technologies.
- SFT is particularly well positioned to benefit from the transition to a low-carbon economy, with high green revenue exposure and strong resilience to climate-related risks across all scenarios. This is consistent with SFT's mandate to build a portfolio that is positioned to benefit from the growing demand for sustainable solutions.

1. Based on weighted average calculated using fund holdings as of 22/05/2025.

Environment: TCFD

Strategy

Private Equity

ESG due diligence pre and post investment

Foresight's Private Equity division is committed to ongoing ESG improvement and incorporating these considerations throughout the investment lifecycle, especially for Growth Private Equity assets. The process is regularly reviewed and updated to incorporate evolving best practices.

Three core enhancements took place in FY25: the review and expansion of the ESG due diligence questionnaire, the enhancement of the Sustainability Software Platform – including the ability to calculate portfolio company Scope 3 emissions alongside usability and output data – and the introduction of a new qualitative climate risk assessment.

Investment Managers are responsible for conducting ESG due diligence on each potential new investment, as part of the overall due diligence process, tailoring it where necessary to the scale and nature of each investee company's operations, the type of investment and maturity of the investee company.

Important to our ESG due diligence on most of our investments is the Foresight ESG questionnaire, which was updated this reporting period to support TCFD-aligned recommendations, address double materiality topics, evaluate good governance (for SFDR funds) and reinforce our commitment to the UN Global Compact's ten principles.

The questionnaire is completed via the online Foresight Sustainability Platform, which feeds into the ESG risk assessment matrix used in Investment Committee submissions. These submissions include an evaluation across five ESG principles (Awareness, Environmental, Social, Governance and Third-Party Interactions) and a defined action plan. Progress on these actions is monitored through the 100-day plan process and quarterly portfolio reviews. In FY25, Investment Committee submissions templates were, where relevant, updated to cover key double materiality topics and include results from the new qualitative climate risk assessment, outlined in the next section.

Foresight actively engages with portfolio companies, holding non-executive directorships on most company boards within the Growth Private Equity portfolio, and usually taking observer roles on the remaining investee companies. Investment Managers drive engagement to promote sustainable practices, with progress reviewed quarterly to ensure risks are mitigated and value creation opportunities realised.

Annually, all Growth Private Equity portfolio companies are asked to complete the ESG questionnaire on the online Foresight Sustainability Platform, which now features an updated, streamlined carbon questionnaire. This enables comprehensive tracking of Scope 1, 2 and 3 emissions, calculated using GHG Protocol-aligned methodologies. The platform identifies any major emitters and emission hotspots, providing companies with the tools and insight to better understand and manage their emissions, and enabling targeted engagement as this process evolves.

Private Equity climate risk framework

Private Equity is focused mainly on SMEs based in the UK. Data on these companies is limited, and external data providers that are able to capture physical and climate risks for SMEs accurately are limited. For these reasons, the division focused on enhancing in-house processes to increase our understanding of exposure to physical and transition risks.

In FY25, we have put in place a qualitative climate risk assessment for companies above a defined investment threshold, currently totalling 66 of the existing portfolio companies across all funds and sectors. The evaluation accounts for transition and physical risks based on sectoral and geographic exposure. On investment and then annually, investment managers will complete this risk evaluation outlined below and note any material change. Key steps include:

- **Transition risks:** qualitative assessment based on sectoral exposure, using the NACE codes classification (European statistical classification of economic activities[1]) and mapping them against the CPRS list (Climate Policy Relevant Sector[2]). This allows us to identify companies particularly exposed to transition risks, including policy and legal, technology, market and reputation risks
- **Physical risks:** qualitative assessment based on geographic location and using open-source, science-based tools[3]. The assessment accounts for the localised long-term risk from flooding caused by changes in rainfall, river levels and sea level, and prolonged dry weather and drought caused by dry summers and low river flows

1. dd5443f5-b886-40e4-920d-9df03590ff91.
2. Climate Policy Relevant Sectors | Department of Finance | UZH.
3. For flooding risk in the UK we use: "https://www.gov.uk/check-long-term-flood-risk" and for the Republic of Ireland we use: "https://www.floodinfo.ie/map/floodmaps/". For drought we use international maps from "https://www.drought.gov/international".

Environment: TCFD

Strategy | Private Equity

This risk assessment is primarily informed by our current understanding of material exposures, based on present day data, operations and the regulatory environment. To ensure our strategy remains resilient over time, we complement this assessment with forward-looking scenario analysis, using narrative-based descriptions of two possible future outcomes:

- **A 1.5°C world (rapid decarbonisation):** Governments take aggressive climate action, leading to policy shifts, green investments and rapid decarbonisation. Potential for higher transition risks but lower physical risks as a consequence
- **A 3°C+ world:** Weak policies result in escalating climate disasters, supply chain disruptions and increased insurance costs. Potentially lower transition risks but high physical risks

Based on these findings, portfolio managers use a proprietary framework to determine the risk materiality based on a combination of (i) the magnitude of impact and (ii) the likelihood of occurrence over the short, medium and long term. The framework evaluates the potential impacts on portfolio companies' financials (loss of revenue), operations (generation, output or service delivery disruptions), reputation (damage to reputation, brand, ability to sell or procure) and legal (sanctions, class action, fines or penalties).

This process has enhanced our awareness of exposure to climate-related risks and ongoing monitoring of any change in risk materiality.

Climate resilience

Key findings from the qualitative risk assessment are outlined below.

Physical risks

- The portfolio is concentrated in the UK and Ireland, with flooding and drought identified as the most significant physical climate hazards. Currently, the climate-related hazards assessed were determined to be not financially material for the companies reviewed. We acknowledge that these risks can intensify over the medium to long term, underscoring the need for ongoing monitoring.
- Mitigating factors are in place in many cases, including the possibility to relocate with minimal interruptions to operations.
- Although the portfolio is primarily composed of SMEs based in the UK and Ireland, some companies operate international sites or rely on key international suppliers. Since physical climate risks are location-dependent, our current focus on domestic sites due to availability of open-source, science-based tools means that risks associated with overseas operations or supply chains are not yet captured, potentially leading to an underestimation of overall climate risk exposure.
- The nature of venture capital and private equity investments means that investments are typically made at the early stages of their growth cycle, where most of the value is in the Intellectual Property Rights and the entrepreneurs, innovators and support staff themselves. For this reason, physical climate risks – such as damage to physical assets – are generally less relevant, as these companies often have limited fixed infrastructure and derive their value primarily from human capital and innovation potential.

Transition risks and opportunities

- Sectoral diversification within Foresight's private equity portfolio helps lower exposure to climate transition risk by spreading investments across industries with varying sensitivities to policy, technology and market changes associated with the low-carbon transition.
- Companies in the industrials sector, including manufacturing, may be more energy-intensive and therefore more exposed to transition risks. More stringent regulation to meet emissions reduction targets and carbon pricing mechanisms could increase operating costs and impact net profits if their energy sources or production methods are carbon-intensive. Increased power prices due to short-term shocks could also increase operating costs for these companies. Our enhanced Foresight Sustainability Platform, with detailed carbon emissions tracking, will improve our ability to identify and assess transition risks in energy-intensive companies, building on our existing efforts to mitigate these risks through ongoing engagement to help companies lower their emissions.

Foresight works closely with its portfolio companies to unlock value through operational improvements and strategic guidance, fostering long-term growth and resilience.

The findings from our comprehensive risk assessment will play a crucial role in informing our engagement with portfolio companies, enabling us to address potential vulnerabilities, guide climate resilience strategies and identify new opportunities for value creation aligned with the transition to a low-carbon economy.

Environment: TCFD

Strategy

General limitations of scenario analysis assessment

While scenario analysis is a valuable tool for assessing climate-related financial risks, it has important limitations that can lead to the underestimation of risks:

- **Linear economic assumptions:** Scenarios do not adequately capture abrupt market corrections, policy shocks or technology disruptions, underestimating abrupt or systemic risk amplification
- **Mismatch between scenario and investment time horizons:** Scenarios often project out to 2050 or 2100, while investor decision-making focus on three to ten-year horizons, making alignment and risk attribution difficult
- **Focus on direct impacts:** Models assess direct impacts on sectors or assets, without capturing indirect effects transmitted through global supply chains. This is especially relevant for globalised supply chains – common in manufacturing, electronics and food sectors – where disruptions upstream can significantly affect downstream financial performance, input costs and inflation risk
- **Lack of climate tipping points:** Scenarios do not model non-linear, irreversible events like ice sheet collapse, permafrost thaw or ocean circulation changes, particularly relevant for infrastructure projects with long lifespans
- **Limited sector/regional granularity:** Scenarios tend to oversimplify sector-level exposure, assuming that entire industries will be equally affected and relying on global/regional averages
- **Failure to account for tail risks:** rare, high-impact events that have a low probability but could have devastating consequences are often not accounted for

Recognising these limitations is crucial for interpreting scenario outputs with appropriate caution and for ensuring that risk assessments are continuously updated in line with the latest climate science, emerging tools and evolving market conditions.

Financial position, financial performance and cash flow

Given the nature and composition of the Group portfolio, we expect Foresight's financial position to improve alongside the transition to a low-carbon economy. The transition away from fossil fuels is expected to drive increased demand for renewable energy investments, enhancing our ability to attract capital and grow our investor base. There are no plans to diversify into carbon-intensive sectors as this would be contrary to our strategy. We acknowledge the risk that a shift in government policy or legislation away from established climate science could adversely impact the profitability of our renewable energy assets in the UK, Europe and Australia. Such a development could also hinder our fundraising efforts in private markets and limit our ability to effectively execute our strategy.

Foresight has not yet developed an organisation wide quantification of the financial impacts of climate-related risks and opportunities on our valuations, performance or cash flows. The quantification of climate-related risks and opportunities within the Infrastructure and FCM divisions allows us to evaluate the potential materiality of climate risks on assets under management ("AUM"). The use of different climate scenario methodologies across business units makes it challenging to aggregate results at the Group level in a meaningful and comparable way.

We recognise that understanding and disclosing the financial implications of climate-related risks and opportunities is an evolving area and that further work is needed to consistently integrate these insights into financial valuations, cash flow projections and overall financial planning. As methodologies mature and internal capabilities strengthen, we aim to improve the clarity and consistency of our climate-related financial assessments, reflecting our broader commitment to aligning financial resilience with the transition to a low-carbon economy.

Environment: TCFD

Climate risk management

Comprehensive risk management requires proactive identification, assessment and mitigation of present and future threats. In FY25, we have focused on integrating climate risks into our Enterprise Risk Management ("ERM") framework to ensure that these risks are identified, assessed, monitored and managed alongside traditional financial and operational risks.

With support from the Sustainability team, investment managers are increasingly equipped to evaluate both physical and transitional climate-related risks, using scenario analysis and materiality assessments to understand their potential impact on investment portfolios. This capability is still evolving, and we recognise it as a work in progress as we continue to build tools, processes and expertise across the investment teams.

Our new and enhanced risk matrix enables risk owners to classify climate-related risks for each asset or portfolio company based on both the probability of occurrence (likelihood) and the potential damage or effect (impact) on investments. For example, a flood event might be classified as having a very high probability of severely impacting revenue and operations for an asset in the next ten years.

The evaluation of impacts and likelihoods has a high degree of estimation uncertainty, with a wide range of possible outcomes. Things like policy shifts and technological developments can influence the likelihood of different climate outcomes and impact on future risk exposures. Accounting for different scenarios enables us to assess how, and under what circumstances, the impacts from climate change may emerge.

This bottom-up approach helps us distinguish between **highly probable but low impact risks** (like minor regulatory changes) and **low probability but high impact events** (such as extreme weather damaging critical assets). It also aids in understanding how transition risks (e.g. policy shifts, carbon pricing, technology disruption) and physical risks (e.g. heatwaves, floods, sea level rise) could affect operations, revenues or reputation. We will continue to refine and embed the matrix across our processes.

Identified climate risks can now be incorporated into risk registers, with assigned ownership, mitigation strategies and regular reporting to Senior Management and the Board – marking an important step in building a more systematic and structured approach to climate risk management. Each division is responsible for maintaining its own risk register and for updating it on a regular basis with oversight by the Risk Team. In addition, the Risk team holds a formal annual meeting and informal periodic meetings with risk owners to review and discuss key risks, including climate-related exposures, and to ensure alignment on mitigation strategies and priorities.

Any important change to the impact and/or likelihood of climate-related risks will be presented to the Audit & Risk Committee. Those risks considered most material are presented to the Board via papers reviewed by the Audit & Risk Committee, as well as through ad hoc reports issued in response to emerging or critical risk events. Risks which exceed the Group's risk appetite will have action plans developed to mitigate their impact.

Enhanced Key Risk Indicator functionality has been implemented in the Group's risk management software that will enable Foresight to better track and monitor risks considered to be potentially material. The initial KRIs have been identified using a combination of best practice and topics highlighted as part of the double materiality assessment and will include climate risks where appropriate. The enhanced functionality allows for greater oversight by key Stakeholders and better identification and implementation of mitigation plans where necessary.

This enhanced risk management framework will enable us to better respond to climate-related challenges and improve Foresight's resilience. It sets the foundation for continuous improvement in addressing climate risks going forward.

Given the ever-evolving climate risk landscape (e.g. dynamic interplay of environmental changes, scientific advancements, policy developments, shifting market expectations, etc.) we will continue to regularly monitor and review the risk management framework.

Environment: TCFD

Metrics and targets

Total emissions – operational and financed

	FY25			FY24			Year-on-year		
Carbon emissions[1]	Total carbon emissions (tCO_2e)	Carbon footprint (tCO_2e/£m invested)	Weighted Average Carbon Intensity ("WACI") (tCO_2e/£m revenue)	Total carbon emissions (tCO_2e)	Carbon footprint (tCO_2e/£m invested)	Weighted Average Carbon Intensity ("WACI") (tCO_2e/£m revenue)	Total carbon emissions (tCO_2e)	Carbon footprint (tCO_2e/£m invested)	Weighted Average Carbon Intensity ("WACI") (tCO_2e/£m revenue)
Scope 1	10.7	0.0008	0.069	13.6	0.0011	0.09	(21.3%)	(26.3%)	(22.8%)
Scope 2 (location based)	137.7	0.0104	0.89	158	0.013	1.10	(12.8%)	(19.7%)	(18.7%)
Scope 2 (market based)	92.5	0.007	0.60	113	0.009	0.79	(18.1%)	(22.1%)	(24.0%)
Scope 3 (excluding Category 3.15)	4,389.2	0.333	28.50	1,116	0.092	7.79	293.3%	261.6%	265.9%
Category 3.15 – Financed emissions[2]	1,941,996	147	12,611	1,998,250	165	13,940	(2.8%)	(10.8%)	(9.5%)
Scope 3	1,946,385	148	12,640	1,999,366	165	13,948	(2.6%)	(10.6%)	(9.4%)
Total emissions (Scope 2 market based)	1,946,488	148	12,640	1,999,538	165	13,949	(2.7%)	(10.6%)	(9.4%)

1. Of the FY25 emissions, 0% of Scope 1, 56% of Scope 2 (market based) and 50% of Scope 1 and 2 (market based) relate to the UK. FY24 data was prepared based on the requirements for Large LLPs; therefore, UK and Global split was not calculated at the time.
2. A pro rata rate of WHEB's emissions were included in the above table.

Operational emissions

Foresight conducts an annual carbon assessment aligned with its financial year. Scope 1, 2 and 3 emissions for Foresight Group are calculated in accordance with the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard, as well as the Corporate Value Chain (Scope 3) Standard.

For operational emissions, we gather detailed consumption data across all offices, covering energy use, waste, water, business travel, employee commuting and purchased goods and services. The reduction in Scope 2 emissions is primarily due to the purchase of renewable energy contracts by our Manchester and Cardiff offices – a practice we aim to continue and expand where feasible.

We are continuously working on improving the data quality with emission factors updated to reflect the latest assumptions. Improvements this year included the addition of purchased services emissions and the 49% of spend on travel not booked through corporate traveller. This is part of a continued effort to improve the quality of our data as well as how we present it. Last year's numbers were not recalculated for the new methodology due to their immaterial impact (less than 5%) on Total Scope 3 footprint.

All emissions data – excluding Scope 3 financed emissions (Category 15) – are audited with limited assurance by Turley, an external consultancy specialising in carbon accounting.

Energy Efficiency Action

In the period covered by the report, Foresight has not undertaken any business wide action to reduce its energy intensity.

While Foresight does not have Group-level emission reduction targets, we have renewed the "Carbon Neutral Certification" by offsetting our Scope 1, Scope 2 and Scope 3 (excluding financed emissions) emissions. In February 2025, Foresight purchased 100% avoidance offsets through Climate Impact Partners to renew our Carbon Neutral Certification.

Environment: TCFD

Metrics and targets

	FY25			FY24			Year-on-year	
Energy consumption	Unit	Usage	% of UK	Unit	Usage	% of UK	% Change in usage	% of UK
Gas	kWh	59,022	0	kWh	74,226	0	0	0
Electricity	kWh	464,854	69	kWh	722,044	83	(36)	(17)

Emissions scope	Subcategory	tCO_2e
Scope 1		
Stationary sources	Gas consumption	10.7
Mobile sources	—	0
		10.7
Scope 2		
Location based	Electricity consumption	137.7
Market based	—	92.5
Scope 3		
1. Purchased goods & services	Water supply and spend on goods and services	2,913.3
2. Capital goods		197.9
3. Fuel & energy (not Scope 1 or 2)	T&D losses	18.5
5. Waste	Wastewater and other waste	12.8
6. Business travel	Transport – air, ground, rental cars and hotels	1,025.5
7. Employee commuting	Employee transport and home working	221.2
15. Financed emissions		1,941,996.0
		1,946,385.2
Total emissions (Scope 2 location based)		1,946,534.6
Total emissions (Scope 2 market based)		1,946,488.4

Environment: TCFD

Metrics and targets

Financed emissions

Financed emissions – categorised under Scope 3, Category 15 – encompass the emissions associated with the companies and assets within our investment portfolio. These emissions far exceed direct operational emissions, making them a critical focus for climate risk management. Understanding and managing financed emissions is essential for aligning investment strategies with broader sustainability goals and mitigating long-term climate risks.

The following tables present our rate split between divisions and scopes, offering a detailed view of how these emissions are distributed across our investment portfolio.

Scope 1 – Financed emissions	tCO_2e FY24	tCO_2e FY25	% AUM covered in this data	AUM covered in this data (£m)	% data based on reported data	% data based on estimation
Infrastructure[1,2]	1,793,903	1,852,837	85	7,270	100	0
FCM[3]	(Only Scope 1 and Scope 2 total available) – 16,161	Scope 1 and 2: 16,258	57	319	87	13
WHEB[4]	N/A	697 (pro rata since acquisition)	100	787	95	0
PE[5]	46,576	12,407	100	1,761	19	81
Scope 2 – Financed emissions	**tCO_2e FY24**	**tCO_2e FY25**	**% AUM covered in this data**	**AUM covered in this data (£m)**	**% data based on reported data**	**% data based on estimation**
Infrastructure[1,2]	109,501	32,599	85	7,270	100	0
FCM[3]	(Only Scope 1 and Scope 2 total available) – 16,161	Scope 1 and 2: 16,258	57.05	319	87	13
WHEB[4]	N/A	435 (pro rata since acquisition)	100	787	95	0
PE[5]	32,109	26,763	100	1,761	19	81

1. Our assessment covers 420 operational assets (excluding those in development, pre-construction, construction and commissioning due to lower availability of data at these stages), with a total asset value of USD 8.38 million (£6.2 billion, USD:GBP 0.738758). This corresponds to 77% of all assets by number, and 85% of our total portfolio value of USD 9.8 billion (£7.3 billion). This portfolio value number is lower than the previously reported division AUM primarily because it excludes fund-level debt, reflects proportional ownership rather than full asset value for managed assets, and uses Net Asset Value (excluding investor commitments) for certain funds.
2. Scope 1 and 2 emissions have been calculated using operational fuel and electricity data provided by site management teams and third-party service providers. Estimates were used in some cases. The data reflects a full year of operations. For funds with formal emissions reporting processes, their specific reporting periods have been used; otherwise, the period from October 2023 to September 2024 applies. Scope 2 emissions are calculated using the market-based approach only. Fuel use from vehicle fleets operated by third-party contractors is accounted for in their own Scope 1 emissions.
3. Emissions data is calculated by FundRock Partners Ltd (FCM's ACD) which uses MSCI data for Scopes 1, 2 and 3. For Scope 1 and 2 where there is reported data, that is used. Otherwise, the MSCI model uses estimates for Scopes 1, 2 and all of 3. The methodology can be found here. Note, DRAF has not been included in the emissions due to the lack of data (this accounts for 6% of FCM's AUM).
4. Emissions data for WHEB is calculated by Net Purpose. Net Purpose do not estimate where data is not reported. The methodology can be found here. 6.6% of WHEB's emissions can be accounted for by Foresight in FY25, due to their date of acquisition.
5. Emissions data is calculated based on reported data (where available) and PCAF estimations for the rest of the portfolio. The methodology used by PCAF to estimate the financed emissions can be found here.

Environment: TCFD

Metrics and targets

Scope 3 – Financed emissions	tCO_2e FY24	tCO_2e FY25	% AUM covered in this data	AUM covered in this data (£m)	% data based on reported data	% data based on estimation
Infrastructure[1, 2]	805,931	240,346	85	7,270	0	100
FCM[3]	33,825	33,870	57	319	0	100
WHEB[4]	N/A	8,781 (pro rata since acquisition)	100	787	75	0
PE[5]	75,511	95,609	100	1,761	9	91

The following metrics are taken from KPIs required in the SASB standards for asset managers.

Description	Infrastructure investment division – Data		FCM (including WHEB) investment division – Data		PE investment division – Data	
	FY24	FY25	FY24	FY25	FY24	FY25
Climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities[6]	85% Amount of assets – £7,486 (£m)	84% Amount of assets – £10,244 (£m)	75% Amount of assets – 734 (£m)	80% Amount of assets – 1,068 (£m)	39% Amount of assets – 1,603 (£m) (with 32% undeployed)	35% Amount of assets – 1,761 (£m) (with 41% undeployed)
Avoided emissions vs grid[7]	N/A	2,845,244 tCO_2e	N/A	N/A	N/A	N/A
Capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Not currently tracked[8]					
Energy consumption intensity per high-impact climate sector[9]	0.12 GWh/EUR million of revenue	0.09 GWh/EUR million of revenue	N/A	N/A	N/A	N/A

1. Our assessment covers 420 operational assets (excluding those in development, pre-construction, construction and commissioning due to lower availability of data at these stages), with a total asset value of USD 8.38 million (£6.2 billion, USD:GBP 0.738758). This corresponds to 77% of all assets by number, and 85% of our total portfolio value of USD 9.8 billion (£7.3 billion). This portfolio value number is lower than the previously reported division AUM primarily because it excludes fund-level debt, reflects proportional ownership rather than full asset value for managed assets, and uses Net Asset Value (excluding investor commitments) for certain funds.
2. Scope 1 and 2 emissions have been calculated using operational fuel and electricity data provided by site management teams and third-party service providers. Estimates were used in some cases. The data reflects a full year of operations. For funds with formal emissions reporting processes, their specific reporting periods have been used; otherwise, the period from October 2023 to September 2024 applies. Scope 2 emissions are calculated using the market-based approach only. Fuel use from vehicle fleets operated by third-party contractors is accounted for in their own Scope 1 emissions.
3. Emissions data is calculated by Fund Rock (FCM's ACD) which uses MSCI data for Scopes 1, 2 and 3. For Scope 1 and 2 where there is reported data, that is used. Otherwise, the MSCI model uses estimates for Scopes 1, 2 and all of 3. The methodology can be found here. Note, DRAF has not been included in the emissions due to the lack of data (this accounts for 6% of FCM's AUM).
4. Emissions data for WHEB is calculated by Net Purpose. Net Purpose do not estimate where data is not reported. The methodology can be found here. 6.6% of WHEB's emissions can be accounted for by Foresight in FY25, due to their date of acquisition.
5. Emissions data is calculated based on reported data (where available) and PCAF estimations for the rest of the portfolio. The methodology used by PCAF to estimate the financed emissions can be found here.
6. This figure represents the Infrastructure portfolio's AUM that is assessed to come under the "List of activities considered universally aligned with the Paris Agreement's mitigation goals". Classification can be found here.
7. Avoided emissions calculated through life-cycle analysis between a baseline of fossil power generation and the actual emissions.
8. Information on capital deployments over the period into infrastructure that contributes towards climate change mitigation is available within the documentation of Foresight's individual infrastructure funds but is not yet calculated at an aggregated level.
9. The KPI is based on Principal Adverse Impact ("PAI") indicator identified in the EU SFDR regulation. Calculation conducted using available operational data on energy consumption across the portfolio. Where data has not been available or deemed inaccurate, proxy assets have been used to estimate energy consumption statistics.

Environment: TCFD

Metrics and targets

Targets

Foresight Group has not yet set carbon reduction or net zero targets at the Group level. This is due in part to the diverse nature of our investment strategies and the varying emissions profiles and data maturity across our divisions. Importantly, the nature of Foresight's investments – many of which are focused on renewable energy, energy efficiency and other transition-enabling assets – means we are predominantly positioned on the opportunity side of the climate transition and are much less exposed to carbon-intensive sectors.

While we are committed to managing and reducing climate-related impacts, our current focus is on building the necessary data infrastructure and capabilities to accurately measure and monitor emissions across all portfolios and operations.

For instance, Foresight Private Equity's Sustainability Platform rolled out in FY24 improves the accuracy of emissions data collection by supporting direct company disclosures rather than relying solely on PCAF estimates, while also empowering portfolio companies to take ownership of their carbon reporting and reduction strategies. This foundational work is essential to ensure that any future targets at Group level are robust, science-aligned and appropriate for the scale and nature of our business.

Our work on climate targets has begun at the fund level, with FGEN becoming the first fund to voluntarily set a net zero emissions target in FY25. As part of this commitment, FGEN has published a transition plan outlining interim targets and its methodology for aligning its portfolio with a net zero pathway by 2050.

FGEN's emissions profile has a positive downward trend, with a likely 50% emissions reduction by FY33, largely driven by planned exit dates. The Fund, which represents approximately 9% of Infrastructure's total AUM, has a short-term target to embed asset acquisitions into its carbon forecast model and to integrate this model into investment proposals.

FGEN's Fund-level targets represent an important step in operationalising climate ambition within our investment portfolio and provides a model for how such approaches could be expanded to other infrastructure funds and ultimately to the Group level.

Controlled Environment Glasshouse, UK, Part of FGEN's portfolio

Environment

Nature, pollution, water and the circular economy

Material impact, risks and opportunities

The double materiality analysis concluded that pollution, water, resource use and the circular economy are material topics for Foresight Group. This is primarily due to risks arising within the value chains of Foresight's Investment divisions, rather than from the Group's own operations.

Activities within the value chain include, among others, the use of products, services and materials derived from industries that emit large volumes of air pollutants, pose risks of soil contamination or require significant water inputs. Additionally, the use of non-renewable natural resources in the production of components and equipment presents a potential negative impact.

Resource outflows are material due to the financial risks associated with rising costs or reduced outputs, which could affect business performance. Waste generation is also a key topic. Significant volumes of waste are produced throughout the value chain during the extraction, processing, manufacturing, use and transportation of materials associated with Foresight's assets.

Furthermore, healthcare and medical properties generate various types of waste, including hazardous waste, sharps, infectious and pathological waste and pharmaceutical waste.

Nature ("biodiversity and ecosystems") has also been identified as a material topic in the double materiality analysis. As noted, some value chain activities contribute to pollution, which is a driver of global biodiversity loss. Infrastructure development may require building on undeveloped ("greenfield") land, potentially leading to habitat loss or species displacement.

Conversely, when renewable energy assets are developed on previously agricultural or degraded land, their passive nature can allow for natural regeneration. If managed properly, this creates opportunities for biodiversity enhancement.

We are in the early stages of integrating pollution, water and circular economy considerations into our investment decision-making and risk management frameworks. These areas – ranging from water scarcity and pollution impacts to resource efficiency and waste – represent increasing relevance to long-term value creation. As awareness and data availability continue to grow, we are exploring ways to better integrate these matters into our investment approaches.

In the following pages, we detail our approach to integrating nature and biodiversity considerations into our investment decision-making processes. This includes an overview of current initiatives, challenges and measures being taken to enhance how we identify, assess and manage nature-related risks and opportunities throughout our portfolios.

Material topics	Material impact	Positive or negative	Risk or opportunity
Pollution:			
Pollution of air	Yes	⊖	Neither
Pollution of water	Yes	⊖	Neither
Pollution of soil	Yes	⊖	Neither
Substances of concern	Yes	⊖	Neither
Substances of very high concern	Yes	⊖	Neither
Water and marine resources:			
Water	Yes	⊖	Neither
Biodiversity and ecosystems:			
Impacts on the extent and condition of ecosystems	Yes	⊖	Risk
Resource use and circular economy:			
Resources inflows, including resource use	Yes	⊖	Risk
Resource outflows related to products and services	No	⊖	Risk
Waste	Yes	⊖	Neither

Environment

Nature, pollution, water and the circular economy

Policies related to nature

Policies highlighting our commitment to progressively embed managing material topics into our own operations and investment decisions are described in the Policies section of this report.

Actions and resources related to nature

Nature and biodiversity are increasingly recognised as material factors in investment decision-making, as the degradation of ecosystems can pose significant financial, operational and regulatory risks across sectors.

Disruptions to natural systems – such as deforestation, water scarcity and biodiversity loss – can directly impact the value and resilience of investments by affecting supply chains, asset performance and long-term sustainability. At the same time, investments themselves can have a profound impact on nature, either by contributing to environmental harm or by supporting nature-positive outcomes through sustainable practices, innovation and responsible capital allocation. Recognising this dual relationship, we are committed to integrating nature-related considerations into our investment approach, where relevant, to both mitigate risk and drive positive environmental impact.

In 2025 we developed a Group Environmental Policy to formalise Foresight's commitment to managing environmental risks and opportunities across our operations and investment activities.

This policy provides a structured framework to guide our approach to responsible investing across all divisions, ensuring we identify, assess and manage environmental impacts and dependencies in our portfolios, while aligning with evolving regulatory expectations. Full implementation of the policy is still underway, and will remain a key area of focus in the coming years.

As part of our ongoing commitment in this area, we are strengthening our internal data capabilities and exploring potential alignment with the Taskforce on Nature-related Financial Disclosures ("TNFD") framework, in recognition of the increasing need for nature-related reporting in the future. This process will enhance our understanding of how our investments both depend on and impact natural ecosystems, and how exposed we are to areas of high biodiversity value.

Nature-related risks and opportunities are particularly significant for our Infrastructure Division due to the scale of our portfolio and the fundamental reliance of infrastructure assets on natural resources and ecosystems. FCM's substantial investment in infrastructure assets makes nature and biodiversity important considerations in stewardship and engagement efforts for this division. By contrast, nature-related issues are generally less relevant to our SME focused Private Equity division.

Beekeeping at Sandridge Solar Farm, UK, Part of Foresight's portfolio

Environment

Nature, pollution, water and the circular economy

Integrating nature and biodiversity in our investment approach

Foresight's Infrastructure portfolio recognises nature as a vital system to protect. The division invests primarily in low-polluting technologies and integrates nature-positive outcomes through active asset management. Project-specific commitments may include revegetation, grassland enhancement, tree planting to strengthen ecological corridors and facilitate wildlife movement, pond and wetland introduction, wildflower meadow, hedgerow and woodland buffer creation and restoration to improve biodiversity.

This not only helps with nature recovery but, in some cases, has meaningful operational benefits. For instance, in Spain, high temperatures during the summer and the Calima, the meteorological phenomenon that brings sand and dust from the Sahara, can have a direct impact on the electricity generation of our solar plants. The planting of vegetation and installation of ponds in Granada, where some of our assets are located, not only helps with nature recovery but lowers the risk of dust accumulation on panels, which can affect energy generation.

As nature-related regulations continue to evolve, including the implementation of biodiversity net gain ("BNG") requirements in the UK, we see these efforts as aligned with a broader shift toward integrating nature considerations into infrastructure planning and delivery. Our approach is also well positioned to support compliance with emerging standards while contributing positively to local ecosystems and long-term asset resilience.

Infrastructure: Measuring potential for biodiversity units at solar farms

The BNG legislation mandates new infrastructure projects need to deliver a minimum of 10% biodiversity net gain. Those that are not able to do so have to buy units to compensate, creating a mechanism like the already established carbon credit market.

In 2024, Foresight Solar started a baselining assessment to gauge the potential for creation of biodiversity net gain ("BNG") units across its UK projects.

The assessments began with a desktop review to identify locations with strong potential for biodiversity enhancements. Selected sites then underwent in-person ecological surveys to assess habitat quality, local connectivity and opportunities for nature improvement. With survey data in hand, planning is now underway to carry out works at the most appropriate time of year to maximise success and unit creation. This will be a thorough process, involving landowners, ecological experts and local authorities to secure approvals and allow the generation of tradeable biodiversity units.

Proposed enhancements focus on improving and connecting habitats through measures such as meadow creation, tree and hedgerow planting, and grassland and woodland restoration to support biodiversity.

The planned enhancements, supported by a robust assessment and Stakeholder engagement plan, position this baselining project as a model for integrating renewable energy development and operation with nature-positive recovery.

As implementation progresses, regular monitoring and adaptive management will be key to optimising ecological and financial outcomes.

Plug-planting at Solar Site, Cornwall, Part of Foresight's portfolio

Environment

Nature, pollution, water and the circular economy

Integrating nature and biodiversity in our investment approach

Foresight's Infrastructure portfolio also sees nature as a valuable investment opportunity. This is reflected in our Forestry and Natural Capital portfolio ("FNC"), which shows how sustainable land management can deliver financial returns alongside clear environmental and social benefits.

FNC's portfolio consists mostly of afforestation (the planting of trees for new woodland creation) and established forestry assets. It makes a direct contribution to climate mitigation and biodiversity enhancement by promoting carbon sequestration and sustainable timber production. £27 million of fresh equity capital raised in early 2025 allows FNC to explore other natural capital opportunities such as biodiversity credits, peatland restoration and opportunities focused on regenerative agriculture.

FNC's assets cover a 13,245 hectare gross area, including 5,622 hectares in standing forest area expected to produce 1.3 million tonnes of sustainable timber over the next rotation. 5,819 hectares is committed to afforestation. Once fully planted, FNC's afforestation portfolio will be equivalent to around 28% of the total land in the UK that was used for afforestation in the year to March 2024.

Nature presents valuable opportunities for our Infrastructure portfolio, but we recognise that nature-related risks can have broad macroeconomic impacts and pose significant challenges. Depletion or disruption of natural resources, such as water and arable land, can lead to food scarcity, supply chain vulnerabilities and increased economic instability. Quantifying the portfolio exposure to nature-related risks is particularly complex due to their variability, feedback loops and the challenges of obtaining reliable data.

As part of this effort, Foresight Infrastructure has partnered with Frontierra to develop a platform that utilises satellite and geospatial data to assess nature and climate risks and opportunities, in line with reporting and disclosure frameworks such as The Taskforce on Nature-related Financial Disclosures ("TNFD"). In addition to climate, it assesses nature-related impacts, dependencies, risks and opportunities, and evaluates aspects such as biomes, biodiversity hotspots and critical habitats. The Infrastructure division will continue to refine and enhance the platform's capabilities as we begin gradual implementation across investment and portfolio management teams in FY26.

The integration of nature into investment decisions and risk management is a dynamic, ongoing process that reflects Foresight's growing understanding of the complex interdependencies between natural systems and financial performance.

As our capabilities mature and new tools, data sources and insights become available, our approach will continue to evolve. We view this as a long-term journey, with continuous improvement at its core.

Nature-related considerations will increasingly shape our understanding of both risks and opportunities, allowing us to make more informed decisions that support resilience and value creation across our divisions.

Ultimately, embedding nature into our investment and risk processes is not only about managing downside risk, it is about Foresight's resilience in a world where natural capital is increasingly recognised as a foundational element of economic and financial stability.

Foresight Capital Management: Biodiversity engagement

FCM, our listed Equity division, maintains substantial investments across the listed infrastructure and broader infrastructure sectors, reflecting a strong commitment to sustainable growth. With a portfolio that spans clean energy and essential infrastructure assets, FCM recognises the critical role that nature plays in supporting long-term value creation and resilience.

In FY25, FCM undertook a biodiversity engagement across FP Foresight UK Infrastructure Income Fund ("FIIF"), which represents approximately 20% of the division's AUM. As part of the engagement, all holdings in the Fund were assessed to evaluate the quality of their biodiversity-related initiatives and reporting. The majority of companies were found to report on biodiversity initiatives and processes, with two of the companies held in FIIF being TNFD early adopters. After the initial portfolio assessment, engagements were tailored to companies depending on the sophistication of their biodiversity-related reporting and initiatives. Engagement centred on requesting disclosure of biodiversity initiatives and transparency on supporting metrics, as well as alignment with TNFD recommendations.

Environment

Case Study: Tackling construction phase emissions at Kölvallen

Division: Infrastructure **Fund:** Foresight Energy Infrastructure Partners

At Kölvallen, a number of innovative measures were implemented during the design and construction phases, focusing on the use of local resources and careful procurement and management of materials. These efforts resulted in a **54% reduction in overall emissions** when compared with conventional methods of remote windfarm construction, and significantly reduced the environmental impact.

The emissions reductions were primarily achieved by:

- **Grid-sourced electricity:** Replacing conventional generators with grid-sourced electricity on a designated renewables tariff to reduce emissions
- **Electric arc furnace ("EAF") steel:** Using steel produced in an EAF with c.95% recycled content to further lower carbon footprint
- **Onsite quarrying:** Production of gravel and aggregate on site to minimise transport emissions
- **Onsite concrete batching:** Establishing onsite concrete batching to significantly reduce transport miles

	Total emissions (with mitigations) (tCO_2e)	Total emissions (without mitigations) (tCO_2e)	% CO_2 emissions saved
Waste	119	119	0%
Fuel	2,209	2,209	0%
Power	0	10	100%
Cables	31	31	0%
Steel	2,307	8,516	73%
Aggregate	1,217	7,776	84%
Concrete	5,657	6,338	11%
Total	**11,540**	**24,999**	**54%**

Key insights

Onshore wind

Sweden
Ljusdals, 2022-25 in progress

54%
Reduction in emissions

277MW
Capacity

Members of the Foresight team

Social

Own workforce

Introduction

Last year, the People and Sustainable Culture ("PSC") team made a significant improvement in shaping a stronger employee experience. Key achievements included the development of an upgraded talent and development offering, the implementation our own enhanced parental leave policy and supporting substantial headcount growth as the business expanded, including the acquisition of WHEB.

Material impacts and risks related to own workforce

The double materiality assessment concluded that "own workforce", including its sub-topics of working conditions and equal treatment and opportunities for all, is material for Foresight Group. We recognise that our people are the cornerstone of our continued success.

Own workforce: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Working conditions	Yes	⊕ ⊖	Risk and opportunity
Equal treatment and opportunities for all	Yes	⊕ ⊖	Risk and opportunity

Group Executive Team and Board of Directors

Employee-related matters, including working conditions, diversity and inclusion, health and safety and human rights, are overseen by the People & Sustainability Culture team and the office managers, who report through the Chief Financial Officer ("CFO").

Updates on workforce-related matters are provided to the Board as part of the annual reporting cycle, with additional updates on a more frequent basis as required.

Policies

Our commitment to our workforce is demonstrated through comprehensive global employee policies, country specific policies and detailed employee handbooks. These documents outline both our dedication to our employees and the responsibilities expected from them. The employee handbook, for instance, provides essential information, rules, policies and procedures that guide employees in their daily work and ensure a consistent and fair working environment.

Foresight Group has a number of policies for employees, including our Learning and Development Policy and a suite of family policies in place to support employees' wellbeing.

These policies, along with our commitment to providing a safe and inclusive workplace, reflect our ongoing efforts to support and protect our employees in all aspects of their professional journey.

Processes for engaging with our own workforce

Engagement with our workforce is facilitated through a range of structured channels that provide employees with regular opportunities to share their views and contribute to shaping the working environment. These include employee forums, an annual engagement survey and Company-wide meetings where employees can submit questions anonymously to senior leadership. Insights gathered through these channels are reviewed by the PSC team and relevant senior Stakeholders, and are considered in decision making related to working practices, wellbeing and development. The forums serve as a formal platform for employee voices to be heard. Full anonymised notes from the Employee Forum are included in the PSC quarterly board packs, with a summary also provided in the main Board Report.

We conduct our engagement survey annually, offering employees an anonymous platform to share feedback across a wide range of topics. In FY25, our overall engagement score was 78%, slightly down on last year's 81%. The survey covers areas such as management effectiveness, empowerment, learning and development, the digital workplace experience, shared purpose, teamwork, wellbeing, communication, sustainability, organisational values and diversity, equity and inclusion ("DE&I"). These insights help us address concerns, identify areas for improvement and strengthen trust and communication across the organisation.

Social

Own workforce

Processes for engaging with our own workforce

We complement these feedback mechanisms with a variety of development initiatives. These include Foresight Connect sessions on relevant topics and the Tandem programme, which encourages cross-cultural language learning and interaction. Both are accessible to all employees and actively promoted across the Group. In addition, we support professional development through internal and external coaching, offering employees access to guidance on leadership, career progression and workplace challenges.

We also engage employees through the ACE mentoring scheme, which supports career development and cross-functional learning, and through leadership training sessions designed to provide space for feedback, discussion and capability building among managers and senior leaders[1].

Engagement with vulnerable employees

Engagement with vulnerable and underrepresented employees is an important part of maintaining an inclusive and supportive working environment. This work is delivered primarily through our THRIVE programme, which brings together a range of initiatives outlined in the DE&I section.

To promote fairness in recruitment, all hiring managers are required to complete unconscious bias training. In addition, comprehensive recruitment guidance is provided to all staff, with a focus on ensuring inclusivity throughout the hiring process. This includes specific instructions on drafting job descriptions that attract a broad and diverse candidate pool.

Our recruitment and progression practices are based on achievement, qualifications, skills, experience and cultural fit. In September, we also delivered inclusive recruitment training in partnership with an external provider to strengthen understanding and application of inclusive hiring practices across the organisation.

Remedy of negative impacts and channels to raise concerns

We have well established internal processes to address potential or actual negative impacts on our workforce. These include internal investigations, mediation and corrective actions with follow-up steps to ensure resolution. Employees can raise concerns through the People & Sustainability Culture team, which operates an open-door policy, or by following the formal complaint procedure outlined in the Employee Handbook.

While no third-party mechanisms are used for complaints, we do engage a trusted third party to administer our annual employee survey, providing an anonymous platform for feedback.

Policies are in place to protect employees from retaliation or discrimination when raising concerns, and we aim to ensure that all staff are aware of and can access these channels with confidence.

The Company is committed to fair pay, equitable promotion practices and supporting the development of all employees through an uncapped training budget and access to external learning opportunities. These efforts are part of a broader commitment to ensure that all employees, including those from underrepresented groups, are supported and heard.

As part of this commitment, we are also accredited as a London Living Wage employer.

1. Senior Leadership is defined as Partners or Managing Directors who are a head of department.

Member of the Foresight team

Social

Own workforce

Characteristics of Foresight's own workforce

Foresight's own workforce had 422 employees and 20 self-employed workers at year end. Agency workers are not tracked and would only represent a small number of workers. Employees are based across offices in the United Kingdom, Australia, Spain and other European locations as shown on the table opposite.

The total employee number represents a 10% increase on FY24 driven by the acquisition of WHEB and organic growth of the Company. Female employees representation increased by 1% over the period.

A total of 57 employees left during the year, which equals to an employee turnover rate of 14%. About two-thirds of these exits were on a voluntary basis.

Foresight had no non-guaranteed hours employees.

Employees by country[1]

Country	FY25 No. of employees	FY24 No. of employees[2]	Year-on-year Increase/ (Decrease)
United Kingdom	321	293	+28
Australia	62	59	+3
Spain	17	15	+2
Italy	7	8	(1)
Ireland	5	3	+2
Luxembourg	5	4	+1
Other	5	2	+3
Total	422	384	+38

1. As at 31 March 2025 and 31 March 2024.
2. FY24 employees exclude 22 Partners who are self-employed.

Own workforce[1]

	FY25				FY24				Year-on-year
	Male	Female	Other	Total	Male	Female	Other	Total	Total
Own workforce	251	190	1	442	238	168	0	406	+36
No. of employees[2]	233	188	1	422	218	166	0	384	+38
Self-employed	18	2	0	20	20	2	0	22	(2)
% of employees	55.2%	44.5%	0.2%	100%	56.8%	43.2%	0.0%	100%	—
Permanent	227	186	1	414	216	162	0	378	+36
Temporary	6	2	0	8	2	4	0	6	+2

1. As at 31 March 2025 and 31 March 2024.
2. FY25 figures exclude two interns and include eight temporary employees which are presented differently in the Corporate Governance section.

Social

Own workforce

Actions related to diversity, equity and inclusion

As part of our commitment to gender equality, we continue to support the progression of women into leadership roles through Foresight's Women in Leadership course, ELEVATE.

ELEVATE is endorsed by our Chairman and sponsored by our CFO, the programme provides development opportunities for women across the organisation and reflects our ongoing effort to build a more inclusive workplace.

The Group DE&I strategy, THRIVE, has the following targets:

1. Increase underrepresented minorities from 2023 base year by 10% globally by 2027
2. Increase the number of Pride network members globally from 2023 base year by 15% by 2027
3. Ensure we have disability training rolled out by 31 December 2025 for all line managers
4. Ensure our employee resource groups are in place to spotlight religious events across the year
5. Maintain our signatory status to the Women in Finance Charter

DE&I partnerships under THRIVE

We partner with the Amos Bursary, a charity that supports state school students of African and Caribbean heritage by providing academic and professional opportunities. Where possible, we offer internships or placements to students from the programme, giving them experience across different areas of the business. In some cases, this may include opportunities within our portfolio management and investment teams.

We also work in partnership with Svitlo School, which supports the education of displaced Ukrainian children, and Sacred Heart, which provides access to learning and enrichment opportunities for students from underrepresented backgrounds. These partnerships reflect our broader commitment to supporting equity and access beyond our immediate workforce. There will be a continued focus on workstreams related to religion, ethnicity and disability. Alongside this, we will maintain our efforts to deliver DE&I training and provide support to line managers, equipping them with inclusive hiring practices and the skills to lead diverse teams effectively.

Additionally, as part of our ongoing work to maintain a safe and respectful workplace, we are planning to introduce mandatory training on sexual harassment. This will support our broader approach to health, safety, equity and inclusion by ensuring that all employees are clear on expected behaviours and know how to recognise and report inappropriate conduct.

Employees by age

	Male	Female	Other	Total
Under 30 years old	53	49	0	102
Between 30 and 50 years old	158	126	1	285
Over 50 years old	22	13	0	35

Adequate wages

We confirm that all employees are paid above the applicable minimum wage in their respective countries of employment.

As part of this commitment, we are also accredited as a London Living Wage employer, ensuring that all employees and regular contractors in London are paid in line with or above the independently calculated living wage.

Compliance with wage requirements is monitored through regular payroll reviews and updates to reflect changes in local legislation.

Social protection

All employees have social protection. These vary across jurisdictions and include for example sick leave, pension and family leave.

Collective bargaining and social dialogue

Collective bargaining agreements are in place in Italy, Spain, Greece and Germany covering all employees, and social dialogue agreements are in place in Italy and Spain covering all employees.

Persons with disabilities

Foresight's own workforce includes six workers who identify as having disabilities. This includes one person on our senior leadership team. We are currently rolling out disability training for all line managers, and additional support is available if they need it.

Training and skills development metrics

The Company is committed to supporting the development of all employees through providing budget and access to internal and external learning opportunities. During the financial year employees completed on average six hours of mandatory training.

Social

Own workforce

Actions for health and safety

Mandatory health and safety training has been introduced for all office-based employees globally. In addition, IOSH-accredited training is required for all field-based workers – both permanent and temporary – to ensure consistent health and safety standards across our operations.

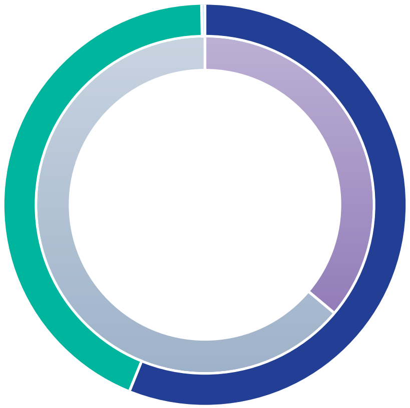
Foresight Group's own workforce is primarily office based and we had no serious health and safety incidents during the reporting period.

Health and safety incidents	FY25
Number of people in its own workforce (employees and non-employee workers) who are covered by a health and safety management system based on legal requirements and (or) recognised standards or guidelines	442
Number of fatalities in own workforce as result of work-related injuries and work-related ill health (also needs to include other workers working on the undertaking's site)	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0
Number of recordable work-related accidents for own workforce	0
Number of cases of recordable work-related ill health of employees	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	0

Work-life balance metrics

All Foresight employees are entitled to maternity, paternity and adoption leave from their first day onwards. These policies reflect our commitment to supporting our employees in balancing their professional and family responsibilities. Last year 4% of male and 5% of female employees took family leave.

Additionally, Foresight supports part-time working where the role allows it.



Full-time

- Male | 225
- Female | 174
- Other | 1

Part-time

- Male | 8
- Female | 14

Gender pay gap reporting

For the purposes of this disclosure, "top management" is defined as Partners, Managing Directors and Heads of Department. This definition reflects the structure of our organisation and the levels of leadership responsible for strategic and operational decision-making.

As at 31 March 2025, 26.2% of top management roles were held by women, 72.3% by men and 1.5% of roles were held by other groups[2].

Mean average gender pay gap for hourly pay FY25: 25% and FY24: 34%.

Median gender pay gap for hourly pay FY25: 23% and FY24: 40%.

Mean gender pay gap for bonus pay[1] FY25: 52%.

Median gender pay gap for bonus pay[1] FY25: 51%.

These gaps reflect the higher representation of male employees in better paid senior positions where variable compensation, such as performance bonuses and share-based awards, is also more prevalent.

1. The reported FY24 bonus pay gap figures were inaccurate. At the time of reporting, it was not feasible to recalculate them.
2. Other includes employees who do not identify themselves as male or female.

Social

Own workforce

Incidents of discrimination and human rights violations

There have been no recorded incidents of discrimination or human rights violations during the reporting period.

Targets

We are committed to the Women in Finance Charter, a government initiative to improve gender balance in financial services. As part of this, we've set a target to reach 30% female representation in Senior Management by the end of 2027. This target helps ensure we stay focused on making progress and hold ourselves accountable through regular tracking and reporting.

We do not operate with formal workforce representatives. However, employee feedback is gathered through structured channels such as the Employee Forum and our annual engagement survey.

While these mechanisms do not involve employees directly in the formal setting of targets or tracking performance, they provide valuable insights that inform our broader people strategy and workplace initiatives.

Feedback received through these channels is reviewed by the People & Sustainability Culture ("PSC") team and shared with senior leadership where appropriate. In this way, employee input contributes to identifying areas for improvement and shaping future actions, even if not through direct participation in formal performance or target-setting processes.

Members of the Foresight team

Social

Workers in the value chain

Material impacts and risks related to own workforce

The double materiality analysis has enabled us to identify material impacts, risks and opportunities in our value chain by ESRS sub-topics which are relevant in the short, medium and long term. Results of the analysis for Foresight Group are presented below:

Workers in the value chain: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Working conditions	Yes	⊕ ⊖	Risk
Equal treatment and opportunities for all	Yes	⊕ ⊖	Neither
Other work-related rights	Yes	⊕ ⊖	Risk

Foresight's investment assets within its three divisions have extensive and international value chains which span key sectors such as energy transition, transport, forestry and manufacturing. This broad spectrum means issues related to working conditions, equal treatment, opportunities for all and other work-related rights are material.

Workers in these sectors are exposed to health and safety risks, human rights risks and in some of these sectors the workforce is very male dominated. These risks could have a negative impact on Foresight; however, Foresight and its investment divisions endeavour to positively influence their assets and portfolio companies by establishing standards that promote good working conditions, diverse and inclusive business practices among their suppliers and ensure equal opportunities for all Stakeholders.

Policies related to value chain workers

Our commitment to respect human rights, including labour rights, and those of our value chain workers is outlined in Foresight's Sustainability Policy and detailed in Foresight's Human Rights Policy. Further details of these can be found under Policies in the Sustainability Governance section.

Human rights obligations

Our commitment to human rights extends throughout our value chain, impacting our own operations as well as our upstream and downstream partners. This includes the products and services we offer and our business relationships, which encompass both direct and indirect connections within our value chain.

Processes for engaging with value chain workers about impacts

While we do not have formal processes for this at Group level, our approach to worker's rights within the value chain of our assets focuses on mitigating risks while identifying opportunities for positive impact. A key element of our risk management strategy is portfolio diversification across asset classes, geographic areas and regulatory regimes. This diversification helps minimise the potential impact of labour issues within any single holding.

All holdings across the Global Real Infrastructure Fund ("GRIF"), the Sustainable Real Estate Securities Fund ("REF"), the Sustainable Future Themes Fund ("SFT") and our regional private equity funds are assessed against the principles of the UN Global Compact. This encompasses the assessment of internal processes and policies including human rights policies and supplier code of conduct within investee companies.

Alignment with these principles encourages adherence to labour standards and helps companies identify and address potential risks within their supply chains.

Within FCM, we also actively engage with our portfolio holdings to promote responsible practices. Many have high-quality processes in place to protect themselves against human rights violations, however we encourage them to improve further e.g. to become signatories to the UN Global Compact. In FY25, we engaged with nine companies on this issue.

The Infrastructure division's primary mechanism for interrogation of its supply chain continues to be the Ethixbase platform, a third-party due diligence platform that enables examination of key counterparties and suppliers against a comprehensive list of more than 800 global enforcement, sanctions and watch lists. Risk alerts are grouped into the following categories, wherein there is a specific focus on human rights:

i. Sanctions, enforcements and watch lists
ii. Politically exposed persons
iii. Corruption
iv. Terrorism & trafficking
v. Conflict minerals
vi. Environmental
vii. Human rights

Furthermore, direct suppliers to Foresight's infrastructure activities are also requested to sign the infrastructure Supplier Code of Conduct ("SCoC"). The SCoC fosters greater alignment between Foresight and its supply chain, by articulating Foresight's expectations of its suppliers on certain sustainability and ESG issues. This includes a specific focus on human and labour rights.

Social

Workers in the value chain

Processes for engaging with value chain workers about impacts

The SCoC stipulates that Foresight expects its suppliers of Infrastructure activities to support, embrace and enact the UNGC, UNGP, the OECD guidelines for Multinational enterprises and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. There is also a further expectation that its suppliers commit to support Foresight's initiatives in this regard within their own supply chains. The SCoC is increasingly being incorporated into new contractual agreements, while for existing contracts, there is an ongoing workstream to encourage more widespread adoption of the SCoC.

We are committed to advancing transparency and accountability in labour practices by continuously enhancing the quality and breadth of our data. Our approach draws on a diverse range of sources, including company policies (for example, in Private Equity, we've proactively provided templates and guidance to encourage deeper engagement beyond our direct investments) Bloomberg data, and qualitative assessments aligned with the UN Global Compact principles. While we acknowledge the inherent complexities in capturing data across global and multifaceted supply chains, we view these challenges as opportunities to innovate and strengthen our methodologies over time.

Building a sustainable and resilient investment portfolio requires a focus not only on financial performance but also on environmental and governance factors. Responsible labour practices are a key component of ESG investing. By integrating labour rights considerations into our investment process, we aim to mitigate risks, promote positive social impact and generate long-term value for our investors.

Remedy of negative impacts and channels to raise concerns

Foresight Group will actively seek to remediate negative human rights impacts to the extent this is possible dependent on its level of operational control over an investment or the relationship where the impact has been identified. Employees will co-operate with key Stakeholders involved and take appropriate actions to achieve an acceptable outcome, including changes in the entity's operations and policies. Remediation regarding matters raised via Foresight's whistleblowing channels will be undertaken in accordance with the relevant Whistleblowing policy.

We will investigate all concerns raised in regard to human rights and take appropriate steps to remediate the issues found. If we have caused[1] or contributed[2] to an adverse human rights impact, we will co-operate with relevant parties and authorities to remediate and mitigate the impact as far as we can. Employees are encouraged to report any human rights grievances without fear of retaliation or retribution.

Actions related to workers in the value chain

Through the Group-wide working group dedicated to human and labour rights, a project is being undertaken to integrate best practice UNGP and OECD guidelines, as well as the latest UK home office guidance for Modern Slavery Statements ("MSS"). This includes working with all investment divisions and jurisdictions on their relevant requirements.

Additionally, through the UNGC, Foresight has undertaken a MSS peer review with LSEG and Santander UK and is participating in the UNGC human rights accelerator programme, which ends with a best practice tailor made action plan in September 2025.

At the end of 2024, Foresight's Infrastructure Division engaged in an escalatory due diligence process discussed in the case study on page 103.

Metrics and targets related to workers in the value chain

In Foresight's September 2024 Modern Slavery Statement update, we disclosed the following KPIs:

Modern slavery training is a mandated requirement for Foresight Group. We use a number of online platforms to provide third-party training, which includes a module on modern slavery. This is rolled out as standard to all employees and had a 94% completion rate in FY25.

Forced and child labour

Share of infrastructure investments in investee companies exposed to operations and supply chains at significant risk of incidents of forced, compulsory or child labour in terms of geographic areas and/or the type of operation.

Answer: 18.8%
This figure represents the Infra AUM associated with the sectors, industries and associated supply chains assessed to be at greatest risk of forced, compulsory or child labour incidents. In this instance, 18.8% represents the Infra AUM associated with both the solar and battery sectors.

1. Foresight may "cause" a sustainable sourcing issue where its activities on its own are sufficient to result in this issue occurring.
2. Foresight may "contribute" to a sustainable sourcing issue when its actions, either in combination with the activities of other companies or entities causes a sustainable sourcing issue, or if the activities of the Company might cause, facilitate or incentivise an investee company or supplier to cause an issue. For contribution to exist, it must be substantial - it does not include minor or trivial contributions.

Social

Workers in the value chain

Metrics and targets related to workers in the value chain

Incidents and breaches

Number of cases of severe human rights issues and incidents by suppliers screened by Ethixbase.

Answer: 0
Using the Ethixbase platform, screening was conducted on 140 primary and secondary suppliers (covering all major primary suppliers) associated with the Infrastructure division's solar and battery investments. Across the suppliers screened, there were no known cases of severe human rights issues[1].

Supply chain standards

Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour).

Answer: Investee companies and the related SPVs do not typically have a supplier code of conduct as they are not the organisation responsible for the selection and appointment of suppliers. The Investment Manager, which has overall responsibility for management of the individual assets and their suppliers, has a Supplier Code of Conduct that is used with primary suppliers and key counterparties.

Minimising Human Rights Risk in Supply Chains

Foresight takes a layered approach to human rights risk mitigation, while acknowledging that no approach can fully eliminate the risk due to the complexity and length of supply chains. Ethixbase is the primary platform used within our Infrastructure division, enabling counterparties and suppliers to be assessed against a comprehensive list of more than 800 global enforcement, sanctions and watchlists.

In 2022, an Ethixbase report for one of Foresight's solar suppliers identified accusations of forced labour in the counterparty's supply chain. The issue was raised with Foresight's Compliance team and the Money Laundering Reporting Officer ("MLRO") who, along with the Sustainability Team, agreed that enhanced monitoring and MLRO approval would be required for any future engagement with the counterparty.

Fast forward to the end of 2024, when Foresight entered into discussions with two potential suppliers for development stage Battery Energy Storage System ("BESS") assets in FEIP's portfolio. It was highlighted that one of the suppliers was a subsidiary of the counterparty flagged previously for forced labour accusations.

A subsequent meeting between the Sustainability team, Compliance team and FEIP's Key Executives led to the decision to require the potential counterparty to provide product-specific traceability and audit documentation and to sign Foresight's Supplier Code of Conduct, which would in turn commit the counterparty to complying with Foresight's requirements.

Foresight's robust process will ensure that the counterparty continues to be closely monitored, and any new risk alerts highlighted by Ethixbase or other channels will be addressed promptly. Foresight is additionally considering using a specialist third party to conduct an in-person audit, should it be deemed necessary.

Supporting documents

To ensure transparency and adherence to our sustainability commitments, we have several key documents that outline our policies and standards:

- Sustainable Sourcing Policy
- Human Rights Policy
- Modern Slavery Statement
- Supplier Code of Conduct (Infrastructure only)

Private Equity: creating jobs

Foresight's Private Equity division invests in small, growing businesses. As the backbone of UK Plc, SME businesses are not only vital to a healthy economy, they are also the provider of the majority of UK employment, accounting for 60% of all jobs in the private sector[2]. With investment from Foresight, coupled with our expertise, these companies demonstrate more resilience and innovation and are more efficient and agile, generating a positive outcome over the long term.

This leads to growth and job creation. By helping small business owners with their growth ambitions, Foresight has supported the creation of c.2,000 jobs between December 2015 and December 2024 through its regional fund series alone. Moreover, we recognise that every employee at our portfolio companies is a strategic asset and we work with our management teams to foster inclusive and engaged workplaces.

1. A severe human rights issue refers to a profound and systematic violation of fundamental human rights that causes significant harm to individuals or groups. These violations often involve abuses such as forced labour, human trafficking, genocide or denial of basic freedoms like access to justice, education and healthcare.
2. https://www.fsb.org.uk/media-centre/uk-small-business-statistics.

Social

Affected communities

Our material impacts, risks and opportunities

Affected communities and specifically communities' economic, social and cultural rights and rights of indigenous people have been assessed as material matters in the double materiality assessment. This is mainly because the Infrastructure division's assets in renewable energy, sustainable land and food, medical property and forestry sectors may impact surrounding communities positively or negatively. Potential positive impacts are economic benefits through creating jobs and potential negatives are risks to the life quality and social fabric of the communities involved, e.g. by restricting access to land. Additionally, rights of indigenous peoples may be impacted by infrastructure assets in Scandinavian countries, Canada and Australia.

Workers in the value chain: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Communities' economic, social and cultural rights	Yes	+ −	Risk and opportunity
Rights of indigenous communities	Yes	+ −	Neither

Policies related to affected communities

At Foresight, we are dedicated to respecting human rights and to seeking ways to engage with the communities we impact. This mindset is detailed in our updated Sustainability Policy and Human Rights Policy. Further details of these can be found under Policies in the Sustainability Governance section.

Processes for engaging with affected communities about impacts

At Foresight, we are committed to mitigating any local impact with our local contribution. This is most material within Foresight's infrastructure projects, which have the potential to impact local communities' economic, social and cultural rights. While our projects in renewable energy and natural resources can bring economic benefits such as job creation and local economic dynamism, they could also pose risks to the quality of life and social fabric of the communities involved, e.g. by restricting access to land, changes of scenery or disturbances from construction and traffic.

A key mitigation method is to engage with the local community, which varies depending on the fund, legislation and asset type in question. Demonstrated by the following examples within FSFC, FSFL and FGEN:

- In June 2024, the Glaisters Bridge Community Woodland site near Corsock marked a key milestone with the creation of new pathways and the planting of 250 trees. This initiative is part of a 20-year lease agreement between Foresight Group and the Upper Urr Environment Trust ("UUET") in an initiative, thought to be the first of its kind which includes the community in woodland management. It sets a precedent for demonstrating how local involvement, sustainable forestry and biodiversity enhancement can coexist. A good practice guide for Engagement with Local People and Communities in Woodland Creation Proposals was launched at the site in October 2024
- Within FSFL, across geographies, in 2024, Foresight Solar contributed almost £300,000 to local communities. This money is used in myriad ways by regional authorities to improve the lives of residents near the Company's operational sites. During the year, these contributions were invested in infrastructure to combat speeding, enhance local infrastructure, e.g. bus shelters or community centres, acquire equipment for new playgrounds and for emergency care, among others
- FGEN contributed almost £600,000 to their local communities. This includes projects, on most sites within the portfolio, that focus on educational school visits, sponsoring local sports teams, seed swaps and other biodiversity-related projects and renovations to local infrastructure such as playgrounds and much more

Foresight considers it essential to mitigate the risks to affected communities, to make sure our projects operate responsibly and to have good relationships with the communities in which we operate. We believe this will in turn generate a better project development and business performance for our assets and thus is an opportunity for us to support local communities and our assets' development simultaneously. The risk and opportunities identified within affected communities are relevant in the short, medium and long term.

The Infrastructure division's operational management system (Sennen) facilitates real-time tracking of events that might impact local communities. This includes health and safety incidents, community engagement activities, complaints, environmental events (both positive and negative) and media coverage. The categories of operational monitoring within Sennen are also used to capture similar information from across the value chain, whenever possible.

Social

Affected communities

Processes for engaging with affected communities about impacts

As part of FCM's due diligence and ongoing monitoring, we identify and assess controversies within companies, such as issues with affected communities. During due diligence, any findings are integrated into the investment decision process.

Post investment, companies are regularly monitored for both existing and new controversies, supported by analysts and third-party providers, such as Sustainalytics.

If a controversy arises, it is investigated and may lead to engagement and/or escalation, following the process detailed in FCM's Stewardship Report. Escalation involves direct dialogue with management or the Board, voting on resolutions, collaborating with other investors, or divestment if necessary. We maintain strong relationships with portfolio companies, which are generally open to engagement.

By proactively identifying and managing these risks, Foresight ensures that its investments contribute positively to local communities while minimising potential negative impacts. This focus on responsible investment not only benefits communities but also helps us mitigate risks and build trust with our Stakeholders.

Remedy of negative impacts and channels to raise concerns

Across the Infrastructure portfolio, the intent is to proactively connect with communities and to engage them in open dialogue regarding any issues and affected areas. These engagements can be focused on the use of proceeds generated from the community benefit funding agreements in place for the local communities. In other cases, it may be a discussion with community members on the design and management of a natural capital asset, such as a newly planted forest.

Open dialogue with any affected community is always welcomed and, from a procedural perspective, is conducted on an as-needed basis. However, with certain sectors (e.g. afforestation), a more targeted approach to proactive community engagement prior to finalising planting plans is an essential part of maintaining Foresight's social licence with the local communities.

Where a negative impact is perceived, in the first instance it will most often be reported to the network of service providers and management teams that are responsible for day-to-day management of Foresight's infrastructure assets. This will then be passed through to the Portfolio Management team, who will be responsible for logging, tracking and managing any such impacts. As highlighted, engagement with affected parties will be critical to understanding the nature and extent of the perceived impact. Where solutions or remediations are required, these will be decided on in collaboration with the affected community. Such remediations may include concessionary access rights during certain phases of operation, site boundary or design amendments or enhanced community benefits payments.

Given the large scale of some infrastructure and real assets projects and their proximity to local communities, a key focus is to always ensure relevant contact information is readily available to those that require it, so that any concerns can be raised with the appropriate parties and ultimately addressed. The aspiration is to bring greater automation into this process to improve the flow of communication and enhance the speed at which any raised issues can be responded to and, ultimately, resolved.

Targets related to affected communities

Foresight maintains regular engagement with communities across the Group. However, it currently does not have metrics and targets for communities. The Group is committed to continuously enhancing its approach to community involvement.

Members of the local community at the opening ceremony of Skaftåsen Wind Farm, Sweden, Part of Foresight's portfolio

Social

Consumers and end-users

Our material impacts, risks and opportunities

Information related impacts for clients, customers and/or end-users as well as social inclusion of consumers and/or end-users have been identified as material to Foresight Group.

Consumers & end-users: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Information-related impacts for consumers and/or end-users	Yes	⊕ ⊖	Risk
Social inclusion of consumers and/or end-users	Yes	⊕ ⊖	Risk

Risks

At Foresight, we are committed to providing clear, fair and not misleading information to our investors. We recognise the importance of transparency in building trust and mitigating the risks related to information, for example misleading customers or greenwashing and related to social inclusion, for example making information accessible for all customer age groups.

Policies related to consumers and end-users

Foresight Group's Sustainability Policy sets out our high-level approach to managing sustainability matters related to clients, customers and end-users.

Further details on these can be found under Policies in the Sustainability Governance section. In addition, other policies currently under development, such as the Social Media Policy, reflect some of these issues.

Processes for engaging with consumers and end-users about impacts

Foresight Group engages with its clients, consumers and end-users through multiple channels, including the financial advisers, as well as online and printed prospectuses and fund materials available on our website. As part of this engagement through the Marketing & Communications Team is committed to ensuring that all information provided to our customers, whether to financial advisers, customers or the broader public is clear, fair and not misleading. We recognise the importance of transparency, particularly in relation to the environmental and financial impacts of our products and services.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Where possible Foresight Group will make appropriate efforts to remediate negative impacts on clients, customers and end-users, dependent on its level of operational control over an investment, or the relationship where the impact has been identified.

Actions on material impacts, risks and opportunities

During the reporting period, we took the following actions to minimise the risk of misleading our customers and improve accessibility.

Clear communication

- Provided clear, balanced and accessible disclosures about the risks and potential returns associated with our investment products which are bespoke for each product. This applies to our online and printed prospectuses, and fund material, all available via our website.
- Dedicated product landing pages and comprehensive investor guides on the website are designed to provide clear, accessible information for advisers and clients, helping them understand each product's features, benefits and associated risks.

Knowledge sharing

Foresight provides training to teams across the business. This training increases awareness of and highlights good practice with respect to sustainability claims, though the recommendations are not binding on the decisions of the investment teams. "Sustainability Claims" training sessions began in March 2025 with tailored sessions delivered to Foresight London's Marketing team and to Foresight's Australia office.

Additional training was delivered to staff within Foresight's Private Equity division, Investor Relations and Retail teams post year end in April 2025.

Social

Consumers and end-users | Actions on material impacts, risks and opportunities

Compliance processes

This work included embedding a new anti-greenwashing review process. Anti-greenwashing reviews, conducted by the Group Sustainability function, have been embedded as a key stage to the financial promotions review process. If a document includes sustainability claims, this must first be reviewed by the Group Sustainability function from an anti-greenwashing perspective. Furthermore, if the document also requires compliance approval as a financial promotion, the Compliance function will only grant approval once the Group Sustainability function has completed its review.

Accessibility

Our marketing strategy is underpinned by principles of responsibility, inclusion and respect for all customer groups. In recognising that many end clients, particularly within our consumer and financial adviser-focused funds are often post-retirement age, we take deliberate steps to ensure our messaging is appropriate and accessible. The following outlines how we market responsibly to these audiences:

- Responsible marketing practices are used, including using a variety of accessible and inclusive imagery across all of our financial literature
- Ensuring font size on our literature is legible and created to meet AA accessibility standard across our digital literature
- We include subtitles on all video content related to fund literature and Foresight Group communications to ensure accessibility and clarity for all audiences
- Production and publishing to all staff of our anti-greenwashing companion guide

Targets

Foresight is continually working on improving customer experience.

Frontier Forum 2024

At this year's sustainability forum "Frontier Connect", leaders from government, finance and science came together at The Eden Project to tackle a pressing question:

"How do we mobilise capital at scale into sustainable infrastructure and nature by 2030?"

Across two days of keynote speeches, think tanks and pitch presentations, industry leaders collaborated on developing strategies to meet the challenge of mobilising capital at scale. Key priorities identified to drive a green, competitive and inclusive economy included tackling the complexities of the energy transition, adopting systems-based thinking and creating cross-sector collaboration between environment, science, government and finance sectors. Experts stressed the need for investment in areas beyond wind and solar, such as long-duration energy storage and interconnectors. Sessions also highlighted the tension between long-term, future-focused investment goals and short-term investor expectations. Discussions on regulatory and policy advancements underscored the urgency of creating frameworks that can accelerate capital mobilisation.

Watch the roundup films to find out more.

Read more about the Frontier Forum 2024 here.

FCM: Stewardship reporting

FCM released its inaugural Stewardship Report, marking a further major milestone in our commitment to responsible investing. This report is built upon two years of solid progress, including the creation of a formal stewardship framework, the full onboarding of proxy voting and governance services, and the adoption of new engagement software that enables us to track and manage activities across multiple companies and funds effectively. A robust stewardship process is now mandatory for funds seeking the SDR sustainability label. We are committed to implementing the UK's SDR requirements in our FCM division, aligning our funds with sustainability objectives. Four of FCM's Funds have SDR Focus label, Foresight UK Infrastructure Income Fund, Foresight Global Real Infrastructure Fund, Foresight Sustainable Real Estate Securities Fund and Foresight Sustainable Future Themes Fund and one SDR Impact label, FP WHEB Sustainability Impact Fund.

Governance

Business conduct

Our material impacts, risks and opportunities

The double materiality analysis concluded that business conduct and its sub-topics of corporate culture, bribery and corruption and protection of whistleblowers are material for the Foresight Group.

Business conduct: Sub-topic	Material impact	Positive or negative	Risk or opportunity
Corporate culture	Yes	+ −	Risk and opportunity
Protection of whistle-blowers	Yes	+ −	Risk and opportunity
Corruption and bribery	Yes	+ −	Risk and opportunity

Corporate culture

Foresight Group's corporate culture is deeply intertwined with its sustainability and governance efforts, reflecting a commitment to creating a positive impact on both people and the planet. Our Company's evolved values – Ambition, Integrity, Impact and Collective Success serve as the foundation for our corporate culture, guiding employees in their daily actions and long-term goals.

Ambition at Foresight Group is about investing in our employees and aiming high together, building a successful and sustainable business, and growing our entrepreneurial culture. This ambition drives us to continuously innovate and strive for excellence, ensuring that sustainability underpins our business practices.

Integrity involves being wholly invested in all commitments, building relationships with honesty and transparency, and growing professionally and responsibly. This value ensures that our governance practices are ethical and transparent, fostering trust with Stakeholders and promoting sustainable growth.

Impact focuses on contributing to people and the planet, building a sustainable future, and achieving positive growth for everyone. Our sustainability initiatives are designed to create meaningful change, from reducing our impact on biodiversity and ecosystems to supporting community engagement programmes.

Collective Success emphasises being invested in each other's successes, building an accessible, approachable, collaborative and respectful culture, and growing together. This value highlights the importance of employee investment, fostering a positive work environment where everyone can thrive and contribute to the Company's sustainability goals.

Our DE&I strategy, THRIVE, further supports our corporate culture by actively cultivating a diverse, equitable and inclusive environment, ensuring equal treatment and opportunities for all. This strategy empowers colleagues, drives innovation and builds a better future for us as a company and for the communities we serve.

Bribery and corruption

Group-level strategy

The cornerstone of Foresight's mitigation strategy against bribery and corruption is our comprehensive Anti-Bribery and Corruption Policy, which sets the approach at the Group level. This policy is based on expectations set for regulated firms and sets the tone. It applies to all Foresight entities Worldwide, ensuring consistency across the Group while adhering to stricter local regulations where applicable.

The risks identified at the Group level filter into the individual investment divisions and the portfolio companies and assets that we manage. Each jurisdiction has built risk assessment that includes anti-bribery and corruption measures. Where the risk is assessed as high, more enhanced monitoring is instituted. To mitigate risks related to bribery and corruption, Foresight equips its staff with regular anti-bribery and corruption training, ensuring that the workforce is aware of the relevant policies and procedures. Furthermore, regulated firms within the Group have implemented risk-based compliance monitoring programmes.

Foresight fosters a culture of transparency through its reporting practices. Foresight Group LLP receives periodic reports on both bribery and corruption risks and the outcomes of compliance monitoring efforts. Overseas subsidiaries follow a similar model, reporting to designated compliance officers and local governing bodies. This focus on risk assessment, staff training, compliance monitoring and transparent reporting demonstrates Foresight Group's commitment to preventing bribery and corruption within its business operations. By proactively addressing these risks, Foresight safeguards its reputation, protects its investments, and contributes to a more ethical and sustainable business environment.

Governance

Business conduct

Bribery and corruption

Jurisdictions and investment divisions

Foresight understands the significant risks that bribery and corruption pose to our organisation and investments. Such illegal activities could result in a series of negative outcomes, fines and potentially expensive litigation. To mitigate these risks, we regularly assess the risks associated with our investments, considering factors such as the size and structure, the nature and scale of their activities and their risk profiles, especially any involving public officials.

In our pre-investment processes, we incorporate anti-bribery and corruption considerations to identify companies with higher risk profiles. Incidents of corruption or bribery could severely damage our reputation, eroding investor confidence and potentially lead to a decline in share price, hindering future fundraising efforts, and jeopardising our ability to attract and retain top talent. This risk is relevant in the short, medium and long term. To address this risk, our investment divisions require portfolio companies to implement essential policies within six months. These policies cover the environment, anti-bribery and corruption, and diversity and inclusion. Our annual assessments then evaluate the presence and effectiveness of such policies, ensuring adherence to high ethical standards. This not only safeguards our portfolio companies and assets but also promotes responsible business conduct.

Ultimately, bribery and corruption could negatively affect the profitability and value of our assets. Decreases in the Net Asset Value ("NAV") of our funds could directly impact our funds' revenue streams and potentially impact returns generated for investors. To mitigate this risk, we gather corruption and bribery risk data from various sources, including company policies, Bloomberg data and assessments of alignment with the UN Global Compact principles, specifically those related to anti-bribery. This comprehensive data is then integrated into our investment divisions' risk management processes, allowing for proactive mitigation and safeguarding of the portfolio against adverse events.

Protection of whistleblowers

Whistleblowing

Foresight prioritises conducting business with the highest ethical standards. Our Whistleblowing policy ensures a safe and transparent method for reporting suspected misconduct. The Company encourages all staff to promptly report any potential wrongdoing. Foresight Group Risk oversees the process, with regional teams adhering to their respective jurisdictional policies and compliance requirements. A Key Risk Indicator ("KRI") dashboard tracks whistleblower incidents for ongoing monitoring and improvement. This risk is relevant in the short, medium and long term.

Our staff have multiple channels for reporting concerns, including their line manager, the Compliance Officer and/or the Group Finance Director. The policy also provides external reporting options for those uncomfortable with internal reporting channels. These external organisations include whistleblowing charity Protect, the Serious Fraud Office and the Financial Conduct Authority in the UK. The policy aims to:

- Encourage openness and confirm that we will support whistleblowers who raise genuine concerns under this policy, even if they turn out to be mistaken
- Provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace
- Convey the seriousness and importance that we attach to identifying and remedying wrongdoing
- Confirm that concerns will be taken seriously, investigated appropriately and that the whistleblower's confidentiality will be protected wherever possible
- Reassure employees that they can raise a genuine concern if they believe disclosure is in the public interest

The policy encompasses a broad range of potential issues, such as bribery, fraud, miscarriages of justice, health and safety risks, environmental damage, and breaches of legal or regulatory obligations. The Whistleblowing policy applies to all Foresight Group entities, including subsidiaries worldwide. It serves as a minimum standard, and local regulations may impose stricter requirements. In such cases, local regulations should take precedence.

Foresight Group has zero tolerance for retaliation against whistleblowers who raise concerns. The policy outlines robust procedures to ensure the legal protection of whistleblowers throughout the reporting process. Regular training equips staff with knowledge of the Whistleblowing policy as well as reporting procedures.

Sustainability strategy

FY26 goals for the strategy

Foresight has reviewed its sustainability strategy and set the following priorities designed to enhance our resilient and responsible business model:

1. Establish Key Sustainability Risk Indicators across Foresight Group to supplement our existing reporting
2. Create a Sustainability Accountability Framework within the Group Sustainability Strategy
3. Enhance our process for regulatory horizon scanning to further build resilience across Foresight Group
4. Reinforce our commitment to DE&I by further embedding inclusive practices into our business operations
5. Further develop and refine our approach to proactive management of climate and nature-related issues

Building on the progress we have made over the past year, our goals for the year ahead will continue to shape our actions and decisions, reinforcing our commitment to responsible investment and sustainable growth. By advancing key themes across our operations, we aim to further embed resilience and sustainability into our business model, helping us to remain adaptive to emerging challenges and opportunities.

This ongoing evolution reflects our belief that long-term success is rooted in continuous improvement and accountability. As we continue to align with global standards and to meet Stakeholder expectations, we are committed to maximising our positive impact – both environmentally and socially – while upholding the principles of responsible business conduct.

The opening ceremony of Skaftåsen Wind Farm, Sweden, Part of Foresight's portfolio

Indices

ISSB index

Disclosure category	Sub-category	Disclosure covered	Section in the report	Comments
Governance To understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities.	—	IFRS S1: 27 a) – b) IFRS S2: 6 a) – b)	Sustainability Governance Environment/TCFD Report – Governance	—
Strategy To understand an entity's strategy for managing sustainability-related risks and opportunities.	Sustainability-related risks and opportunities	IFRS S1: 30 a) – c) IFRS S2: 10 a) – d)	Sustainability Strategy, Business Model and Value Chain Climate change – Strategy Nature, pollution, water and the circular economy Own workforce Workers in the value chain Affected communities Consumers and end-users Business conduct	Definition of short, medium and long term used: Short term: 1 fiscal year Medium term: 1-3 years Long term: more than 3 years This is aligned with Foresight Group's ERM.
	Business model and value chain	IFRS S1: 32 a) – b) IFRS S2: 13 a) – b)	Sustainability Strategy, Business Model and Value Chain	Climate change: Climate transition plan, climate targets and resource allocation for related activities are not in place. Foresight Group has not yet set carbon reduction or net zero targets at the Group level, but continues to evaluate the feasibility and timing of such commitments. Work on climate targets has commenced at the fund level, with FGEN becoming the first fund to voluntarily set a net zero emissions target in FY25. Additionally, see the section "Sustainability at Foresight" for the overall steps planned to be taken in the upcoming year to manage Foresight's material risks and opportunities.

Indices

ISSB index

Disclosure category	Sub-category	Disclosure covered	Section in the report	Comments
Strategy To understand an entity's strategy for managing sustainability-related risks and opportunities.	Strategy and decision making	IFRS S1: 33 a) – c) IFRS S2: 14 a) – c)	Sustainability Strategy, Business Model and Value Chain Climate change – Strategy Nature, pollution, water and the circular economy Own workforce Workers in the value chain Affected communities Consumers and end-users Business conduct	—
	Financial position, financial performance and cash flows	IFRS S1: 35 a) – d) 40 a) – c) IFRS S2: 16 a) – d) 21 a) – c)	Climate risk management	The financially material sustainability topics have now been integrated into the Group ERM platform. Additionally, the Risk function has enhanced its set of Key Risk Indicators for the Risk Appetite Statement to monitor our progress toward our sustainability objectives. Additionally, within the Infrastructure division the standardised approach for climate risk assessment and analysis is conducted using the Climanomics platform. However, further work is required to quantify certain qualitative impacts and long-term sustainability outcomes.
	Resilience	IFRS S1: 41 IFRS S2: 22 a) – b)	Sustainability Strategy, Business Model and Value Chain Climate change – Strategy Nature, pollution, water and the circular economy Own workforce Workers in the value chain Affected communities Consumers and end-users Business conduct	For climate change: Foresight undertook quantitative scenario analysis for its Infrastructure and FCM portfolios, and qualitative scenario analysis for a subset of the Private Equity portfolio in FY25, as part of its assessment of climate resilience.

Indices

ISSB index

Disclosure category	Sub-category	Disclosure covered	Section in the report	Comments
Risk management To understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process and to assess the entity's overall risk profile and its overall risk management process.	—	IFRS S1: 44 a) – c) IFRS S2: 25 a) – c)	Sustainability Strategy, Business Model and Value Chain Climate risk management	—
Metrics and targets To understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Metrics	IFRS S1: 46 a) – b) 49 IFRS S2: 28 a) – c) 29 a) – g)	Climate change – Metrics and targets Nature, pollution, water and the circular economy Own workforce Workers in the value chain Affected communities Consumers and end-users Business conduct	Source for metrics reported in the sections: • IFRS S2 • SASB standards for asset managers • Principal Adverse Impact ("PAI") Indicators (EU Sustainable Finance Disclosure Requirements) • European Sustainability Reporting Standards • FCA diversity and inclusion consultation paper No internal carbon pricing is currently in place.
	Targets	IFRS S1: 51 a) – g) IFRS S2 33 a) – h) 34 a) – d) 36 a) – e)	Own workforce	Own workforce: Currently, targets are in place only for own workforce related KPIs. The target KPIs are gender split among employees, % senior female employees and gender pay gap. Climate change: See TCFD index.