

Foresight Group Sustainable Sourcing Policy

Effective: 31 March 2025

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

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

Introduction

Foresight recognises the importance of ensuring Sustainable Sourcing practices across all its divisions, which help ensure sourcing is from suppliers aligned with the standards of labour, human rights, environmental and sustainable conduct set out by the UN Global Compact, to which we are a signatory. This alignment is also reflected in the Group's Code of Conduct.

Purpose

The purpose of this policy is to codify Foresight Group's commitment to Sustainable Sourcing practices across all its divisions.

To achieve this goal, this Policy sets out the minimum standard for how these factors are managed across the Group.

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

Scope

This policy applies to all the Group's employees¹.

Policy

Foresight Group is committed to Sustainable Sourcing practices across all its divisions and endeavours to integrate the standards of the UN Global Compact in its sourcing activities, while undertaking a necessary prioritisation approach based on the overall spend or the size of a Supplier's contract with us and their risk profile.

Sustainable Sourcing will vary according to our activities, however, at minimum, the Group commits to undertaking the following actions to help ensure Sustainable Sourcing practices across the Group:

- i) *Where we are the Purchaser* - endeavour to integrate Sustainable Sourcing requirements in line with the UN Global Compact principles into Supplier contracts, such as through the use of a robust Supplier Code of Conduct - this may be our own, or where the situation requires, that of a third party. A robust Supplier Code of Conduct references international norms and standards, such as the UN Global Compact and the OECD Guidelines. Examples of where Foresight is the Purchaser is when it sources goods and services for its offices e.g. paper products, coffee, or for its infrastructure investments e.g. construction contracts. This is achieved through a prioritisation approach, considering Suppliers by size of their contracts with us and the Sustainable Sourcing risks to which the Supplier itself or its upstream supply chain is exposed.
- ii) *Where we are not the Purchaser*, reasonable endeavours will be undertaken to ensure a suitably robust approach to sustainable sourcing is in place. This may include use of a Supplier Code of Conduct, visibility of Sustainable Sourcing Policies or due diligence to assess whether third parties

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

define and set out the standards they expect their suppliers to follow. Where relevant, investee companies and third parties will be encouraged to improve their approach. For example, investee companies will be encouraged to develop and utilise a robust Supplier Code of Conduct.

- iii) We will take all reasonable steps, such as training, to ensure our employees do not engage in behaviours that may cause² or contribute³ to Sustainable Sourcing issues in our supply chains.
- iv) Where Sustainable Sourcing issues occur in supply chains that we have not caused or contributed to but may be Directly Linked to our operations and/ or investment activities, we will endeavour to facilitate positive change by using our leverage as a Purchaser or as an investor.
- v) *Where we are the Purchaser*, we will engage with the Supplier directly, and where possible, with supply chain control points.
- vi) *Where we are solely an investor and not a Purchaser or otherwise do not have control over the Suppliers chosen*, as responsible stewards we will engage with our investee companies and/or investment partners to encourage them to carry out these engagements with their Suppliers, as well as where possible with their supply chain control points.
- vii) *Where possible*, we will also engage to push for positive change through Group or investment division participation in relevant investor, industry and other collaborative initiatives. We recognise these actions as a way to increase leverage for change on supply chain issues Directly Linked to our activities, particularly in cases where supply chains are highly concentrated, or issues have arisen located far upstream. One example of this is Foresight's infrastructure division's participation in Solar Energy UK's Supply Chain Statement and its support of the Solar Stewardship Initiative, which was convened by Solar Energy UK and SolarPower Europe to drive a more responsible, transparent and sustainable solar value chain.

Policy Compliance

Exceptions

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

Non-Compliance

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

Related policies and approaches

- Group Code of Conduct
- Sustainability Policy

² A company may "cause" a sustainable sourcing issue where its activities on its own are sufficient to result in this issue occurring. For example, if it intentionally and knowingly purchases goods or services from a supplier which does not meet its standards.

³ A company 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.

- Responsible Investment Policy
- Environmental Policy
- Human Rights Policy
- Modern Slavery Statement
- Approaches to material sustainability factors (forthcoming, except where already required by regulation)

Glossary

Terms ⁴	Definition
Sustainability	<p>Foresight Group defines sustainability as alignment with the UN Global Compact; this means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Doing so starts with a company's value system and a principles-based approach to doing business.</p> <p>Please note this excludes cases where a different definition of sustainability is required by jurisdictional-level regulatory requirements, whereby the legal definition would prevail.</p>
Sustainable Sourcing	<p>Sustainable sourcing means the procurement of goods and services -- or engagement with investee companies related to their procurement of goods and services - to ensure that this procurement is conducted in a manner that, at a minimum, meets fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. This is set out in alignment with Foresight Group's definition of sustainability set out above.</p>
Control Points	<p>Control points are key points of transformation in the supply chain where traceability or chain of custody information may be aggregated or lost, and where the smallest number of actors process or handle the largest number of inputs, while having a good level of visibility and leverage over the upstream supply chain.</p> <p>They are recommended by the OECD Due Diligence Guidance and other best practice frameworks as a focus point for supply chain engagement as the control point enterprises tend to have greater visibility and/or leverage over their own suppliers and business relationships than enterprises closer to consumers or end-users.</p> <p>An example of a control point in the cobalt supply chain (relevant for electrical vehicle batteries) is the role of the commercial fine refiner, which sits between the mining and battery manufacturing stages of the supply chain.</p>
Directly Linked	<p>A sustainable sourcing issue is considered 'directly linked' to a company when there is a relationship between that issue and the company's products, services or operations through another entity i.e. a business relationship. Note this does not necessarily require a contractual relationship.</p>
Purchaser	<p>Refers to the company or entity which is purchasing the goods or services from a Supplier. This is the company or entity who is signing the contracts with a Supplier. In real assets, the investor is often also the Purchaser of components or services for a project. However, this is rarely the case in other asset classes such as listed and private equity.</p>
Supplier	<p>Refers to the first-tier suppliers, whether it be for goods or services. This is the supplier with whom Foresight or its investee companies are signing contracts with.</p>

⁴ Please note that the definitions for following terms within the Glossary were developed with reference to the OECD's Due Diligence Guidance: Cause, Contribute, Control Points, Directly Linked, leverage.