

**FORESIGHT ENVIRONMENTAL INFRASTRUCTURE LIMITED
("FGEN" OR THE "COMPANY")**

**ESG COMMITTEE
TERMS OF REFERENCE**

Reviewed and re-adopted on 20 November 2024

FORESIGHT ENVIRONMENTAL INFRASTRUCTURE LIMITED
(“FGEN” or the “Company”)

Terms of Reference – ESG Committee

1. Role

The role of the ESG Committee (the “**Committee**”) is to support the Board of Directors (the “**Board**” or the “**Directors**”) in monitoring the performance of the Company and the key risks and opportunities facing the Company relating to Environmental, Social and Governance (“**ESG**”) factors.

2. Membership

- 2.1 The Committee shall comprise at least three members. Membership should include at least one member of the Risk Committee. A majority of members of the Committee shall be independent non-executive directors. Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee. The members of the Committee for the time being shall be Joanne Harrison (Chair), Ed Warner, Alan Bates, Nadia Sood and Stephanie Coxon.
- 2.2 Only members of the Committee have the right to attend the Committee’s meetings. Other individuals including the Chair of the Company, other Directors, other representatives of the risk function, compliance, administration and external audit may be invited to attend all or part of any meeting as and when deemed appropriate and necessary by the Board or the Committee.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the director still meets the criteria for membership of the Committee. For avoidance of doubt, if a Director retires or is otherwise removed from office, their membership of the Committee shall cease automatically.
- 2.4 The Board shall appoint the Committee Chair who shall be a non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

3. Secretary

The Company Secretary or his or her nominee shall act as the secretary of the Committee.

4. Quorum

The quorum necessary for the transaction of business shall be the Chair and an independent non-executive director or alternatively, two independent non-executive directors.

5. Frequency of meetings

The Committee shall meet at least two times per year at appropriate times and otherwise as required.

6. Notice of meetings

- 6.1 Meetings of the committee shall be convened by the secretary of the Committee at the request of any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, all other non-executive directors and any other person required to attend, no later than five working days before the date of the meeting. The agenda shall be circulated together with relevant supporting papers to the Committee’s members and to other attendees as appropriate.

7. Minutes of meetings

- 7.1 The secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chair.

8. Duties

The Committee should carry out the duties below for the Company as appropriate.

8.1 ESG

- 8.1.1 Guide, supervise and support the Investment Manager in drafting, and periodically reviewing, the Sustainability and ESG strategy which sets out the guiding principles, objectives, strategic actions and policies with respect to ESG matters;
- 8.1.2 Have oversight of the overall ESG strategy of the Company, including agreeing the Company's key ESG objectives, as set out in the Company's Annual Report and ESG Report, and agreeing the key performance indicators linked to each of the Company's chosen ESG objectives, and monitoring progress against each of these key performance indicators;
- 8.1.3 Assess and prioritise ESG risks and opportunities for the Company, such assessment to be carried out in alignment with chosen reporting frameworks, including assessment of climate change risks, and with relevant input from the Risk Committee;
- 8.1.4 Receive reports and keep abreast of notable developments in ESG related regulation and industry trends relevant to the Company and the sector(s) in which it operates;
- 8.1.5 Monitor the Company's adherence to ESG objectives and KPIs and working with the Audit Committee to oversee the reporting of these objectives and KPIs;
- 8.1.6 Oversee the selection of non-financial reporting / ESG disclosure frameworks by the Company;
- 8.1.7 Oversee the engagement of any external service provider or consultants retained for the purpose of auditing the Company's performance in relation to ESG matters;
- 8.1.8 Oversee the preparation either of a separate annual ESG report, or the integration of ESG reporting into the annual report; and
- 8.1.9 Identify relevant ESG training and opportunities and advise the Board and/or the Company's key service providers accordingly.

9. Reporting responsibilities

- 9.1 The Committee chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities. This report shall include:
 - 9.1.1 the significant ESG issues that it considered and how these were addressed; and
 - 9.1.2 any other issues on which the Board has requested the Committee's opinion.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The Committee shall compile a report on its activities to be included either in the Company's annual report or as a separate ESG report, in compliance with applicable legal and regulatory requirements, and industry best practice.

10. Other matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
- 10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 10.3 give due consideration to laws and regulations, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate;
- 10.4 be responsible for co-ordination of external advisors in ESG areas, in particular, oversee the selection and appointment of ESG consultants to assist with and advise on the content of the Company's ESG report;
- 10.5 Monitor compliance against any ESG or sustainability related covenants or duties set out in any of the Company's material agreements or contracts;
- 10.6 oversee any investigation of activities which are within its terms of reference;
- 10.7 work and liaise as necessary with all other Board committees; and
- 10.8 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

11. Authority

The Committee is authorised to:

- 11.1 seek any information it requires from any employee, agent, or service provider to the Company in order to perform its duties;
- 11.2 obtain, at the Company's expense, independent legal, accounting or other professional advice on any matter it believes it necessary to do so;
- 11.3 call any connected person to be questioned at a meeting of the Committee as and when required; and
- 11.4 have the right to publish in the Company's annual report, details of any issues that cannot be resolved between the Committee and the Board.

Where a duty falls within the terms of reference of both the ESG Committee and the Audit Committee or Risk Committee the chair of those committees shall have the discretion between them to determine the extent of responsibility of each committee.

The Committee and the Board acknowledge that the Board as a whole retains ultimate responsibility for the design and implementation of an effective corporate governance framework.