

Foresight Inheritance Tax Solution

Sustaining wealth for
future generations

Product Summary

7 August 2025

Foresight

Invest Build Grow



FCA Prescribed Risk Warning

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment.

Estimated reading time: 2 min

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk.

What are the key risks?

1. You could lose all the money you invest

- If the businesses you invest in through this product fail, you are likely to lose 100% of the money you invested in that business.

2. You are unlikely to be protected if something goes wrong

- Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here – <https://www.fscs.org.uk/check/investment-protection-checker/>.
- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA-regulated firm, FOS may be able to consider it. Learn more about FOS protection here – <https://www.financial-ombudsman.org.uk/consumers>.

3. You won't get your money back quickly

- Even if the businesses you invest in through this product are successful, it may take several years to get your money back. There is no guarantee that you will be able to sell or withdraw your investment early.
- You should not expect to get your money back through dividends. It is not expected that the businesses you invest in through this product will pay dividends to you.

4. Don't put all your eggs in one basket

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments: <https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>.

5. The value of your investment can be reduced

- The percentage of the businesses that you own through this product will decrease if the businesses issue more shares. This could mean that the value of your investment reduces, depending on how much the businesses grow. The businesses you invest in through this product are expected to issue multiple rounds of shares.
- These new shares could have additional rights that your shares don't have, such as the right to receive a fixed dividend, which could further reduce your chances of getting a return on your investment.

If you are interested in learning more about how to protect yourself, visit the FCA's website – <https://www.fca.org.uk/investsmart>.

Important Notice

This document constitutes a financial promotion pursuant to section 21 of the Financial Services and Markets Act 2000 ("FSMA") and is issued by Foresight Group LLP ("Foresight") on 7 August 2025, which is authorised and regulated in the United Kingdom ("UK") by the Financial Conduct Authority ("FCA"), under firm reference number 198020.

This document relates to the Foresight Inheritance Tax Solution ("Foresight ITS") which is part of the Foresight Inheritance Tax Fund ("Fund"). This document is only a summary and should be read alongside the Foresight Inheritance Tax Solution Investor Guide dated 7 August 2025 ("Investor Guide"). Definitions in the Investor Guide apply to this document.

This document is addressed and distributed by Foresight to financial advisers that are authorised and regulated by the FCA. Investment in the Fund is only permitted through financial advisers. Financial advisers are required to explain to clients the risks of investing in the product and confirm the product is suitable for their clients. Financial advisers should only provide this document to potential investors if provided together with the Investor Guide, highlighting the FCA Prescribed Risk Warning section at the beginning of the document.

It is important to read the Investor Guide in full, in particular the customer agreement, and understand the key risks that are set out in that document, before a potential investor comes to an investment decision. An investment in the Fund is NOT suitable for all investors. Applications to invest in the Fund through the Foresight ITS will only be accepted on the basis of the content and terms of the Investor Guide.

Foresight cannot provide legal, tax, financial or investment advice. Foresight has taken all reasonable care to ensure that all the facts stated in this document are true and accurate in all material respects. Assumptions, estimates and opinions contained in this document constitute our judgement as of the date of the document and are subject to change without notice. Any forward-looking statements or projections are based on a number of assumptions as to market conditions and there can be no guarantee that any projected results will be achieved.

Tax reliefs are dependent on individual circumstances and any reference to tax laws or levels in this document is subject to change. There can be no guarantee that the Fund's investments will continue to qualify for Business Relief ("BR"). A failure to meet the BR qualifying requirements could result in the investments losing their inheritance tax exempt status, resulting in adverse tax consequences for investors. The value of an investment could go down as well as up and it should be considered a long-term investment. Investing in unquoted shares may expose you to a significant risk of losing all of the money you invest. Past performance is not a guide to future performance and may not be repeated.

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Introduction

The Foresight Inheritance Tax Fund was established over ten years ago and since then has received over £1.9bn of investment from investors seeking to pass on more of their wealth to their families.

Foresight ITS

Investment in the Foresight Inheritance Tax Fund can be made through the Foresight Inheritance Tax Solution (Foresight ITS) or the Foresight Accelerated Inheritance Tax Solution (Foresight Accelerated ITS).

The Foresight ITS has been designed to offer simplicity and flexibility, while investing sustainably to enable change and protect future generations. Foresight ITS invests in shares that should qualify for Business Relief (BR)*.

What is Business Relief (BR)?

Introduced by the UK government in 1976, Business Relief (BR) is an established tax relief designed to incentivise investment into trading businesses.

BR is available on the shares of unquoted companies which carry out qualifying trades. Provided that shares in such companies continue to be held after a minimum of two years, they should not be subject to an Inheritance Tax (IHT) liability.

* From 5 April 2026, there will be a £1m allowance for BR, with qualifying shares up to this value benefiting from 100% relief, with 50% relief available thereafter. Note that, after 5 April 2026, shares categorised as 'not listed' on a recognised stock exchange (which targets shares listed on AIM) will only qualify for BR at a rate of 50%.

What are the benefits of BR?

Access and Control:

you maintain access to and control of your investment.

Speed:

a route to IHT exemption in just two years.

Efficiency:

BR qualifying assets do not impact your Nil Rate Band, maximising your IHT shelter.

Diversification:

can add diversification to a portfolio of traditional investments and complement other forms of IHT planning.

Succession:

in most circumstances, passing a qualifying BR asset to a beneficiary will mean this asset is free from IHT in their hands.

Well-established:

BR legislation was introduced in 1976 and is now over 45 years old.

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How it Works

The Foresight ITS aims to provide Inheritance Tax exemption by investing in company shares that are expected to qualify for BR and deliver stable, predictable returns for investors.

Your investment

When you subscribe to the Foresight ITS, we will use your money to acquire shares in one or more trading companies expected to qualify for BR. Once the shares have been held for two years, they should be exempt from IHT.

We invest in a diversified range of underlying investments focused on infrastructure businesses and other trades that benefit from some or all of the following characteristics:

- Contracted revenues: a high proportion of infrastructure revenues come from contracts, which can make returns stable and predictable.
- Stable and predictable demand: some infrastructure assets provide critical services for daily living, resulting in consistent, strong demand that is insensitive to market cycles.
- High barriers to entry: the capital intensive nature of infrastructure assets creates a barrier to entry, resulting in limited competition and predictable returns.
- Low correlation to equities: returns are typically not affected by stock market volatility or economic cycles.

Case Study

Mrs Collins has £100,000 available for investment. We assume that the shares acquired for Mrs Collins remain valued at £100,000 at the time of death and that the investment would be fully chargeable to IHT because all allowances are fully utilised by other assets within Mrs Collins' estate*.

Current situation with no BR planning	With BR planning after two years
IHT DUE	IHT DUE
▼	▼
£40,000	NIL
NET FOR ESTATE	NET FOR ESTATE
▼	▼
£60,000	£100,000*
IHT SAVING	IHT SAVING
=	=
NIL	£40,000

* The above illustration assumes no withdrawals and ignores any fees. The value of an investment can go up and down, and will be subject to product charges. The value of an investment being maintained or increasing is not guaranteed. Tax treatment is subject to change and dependent on individual investors' circumstances.

Foresight Charges

Charges paid by investor

Initial Charge	2.5%
Dealing In Charge	0%
Annual Management Charge	0%
Dealing Out Charge	0%

Charges paid by investee companies

Annual Administration Fee	2.0% plus VAT**
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** charge subject to VAT but reclaimed in whole or part where possible.

The annual administration fee is charged to each investee company at an amount equal to 2.00% plus VAT per annum of that investee company's net asset value. This is an 'all inclusive' fee for the regular services that Foresight Group may provide to investee companies, such as company secretarial, administration, deal and arrangement services and related costs.

Adviser Charges

Initial and ongoing adviser charges as agreed between the investor and the adviser.

Liquidity

Although liquidity cannot be guaranteed, withdrawals are targeted within one month of receipt of a written request. Investments in unquoted companies, by their nature, have limited liquidity. There is, therefore, no guarantee that withdrawals can be effected when requested or within the targeted timescales.

Withdrawals will generally be made through a disposal of shares. The withdrawal will reduce the value of your investment and the IHT shelter will be lost on the amount withdrawn.

Why Foresight?

Three reasons why you should consider sheltering your assets through the Foresight ITS.



1 Global Infrastructure and Real Asset Specialist

Foresight Group manages over £10.2 billion of infrastructure and real assets for their institutional and retail clients.

Since 2008, when it first started making renewable energy investments, Foresight Group has established itself as one of the most experienced infrastructure and real asset investment managers in the BR industry.

Foresight ITS investors benefit from Foresight Group's award winning infrastructure team, comprised of over 185 investment, commercial and technical professionals based across the UK, Ireland, Spain, Italy and Australia.

Having this resource and level of expertise in-house makes Foresight well placed to manage the infrastructure and real assets held through the Foresight Inheritance Tax Fund.

2 Trusted by Institutions

Alongside c.40,000 retail investors introduced to Foresight Group by financial advisers, Foresight Group also manages £8.7 billion (as at 31 March 2025) for more than 200 institutional investors, which describes professional organisations, such as asset managers and pension funds, employed to invest large sums of money for others.

To gain institutional investments, Foresight Group is subject to thorough and lengthy due diligence procedures, which can cost the institution hundreds of thousands of pounds. Institutions do not benefit from tax relief on their investments, so they choose Foresight Group based entirely on the strength of its investment team, investment track record and processes.

3 Diversification

Diversification describes the process of spreading investments across a variety of assets to reduce risk.

Foresight Inheritance Tax Fund investors benefit from a highly diversified portfolio, providing exposure across a broad range of underlying assets and sectors. This reduces the chance of any asset-specific risk significantly impacting performance.

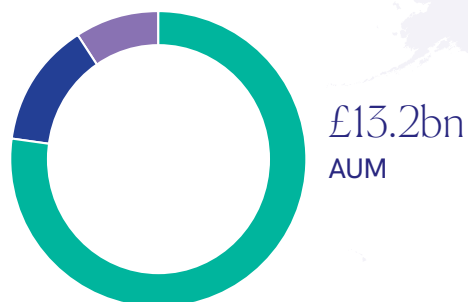
Having grown to over £1.9 billion of assets under management, the Foresight Inheritance Tax Fund's scale also promotes improved diversification allowing exposure to a greater number of underlying trades and assets. Again, this reduces the risk of portfolio performance being negatively affected by any one variable, for example energy prices.

Increased portfolio diversification is made possible by the broad range of expertise present in Foresight Group's large team of infrastructure investment specialists.

About Foresight Group

Foresight Group was established in 1984 and now manages money for c.40,000 retail investors and over 200 institutional investors, including some of the world's leading financial institutions, government organisations, pension funds and insurance companies.

Group AUM



Infrastructure

77.3%

Private Equity

13.6%

Foresight
Capital
Management

9.1%

Foresight Group is a leading investment manager in real assets and capital for growth, whose parent company, Foresight Group Holdings Limited, is listed on the London Stock Exchange. As a result, Foresight Group adheres to rigorous regulatory, governance and reporting standards promoting greater transparency for investors.

Foresight Group is a global business operating in eight countries across Europe and Australia, with well-established local connections.

Through three core investment strategies, Infrastructure, Private Equity and Foresight Capital Management, Foresight Group targets attractive returns from hard-to-access private markets, as well as ambitious companies on public markets, for institutional and private investors. At the crux of Foresight Group's approach is the alignment of its investment strategies to the key themes shaping societies and the planet for future generations.



Source: Foresight Group as at 31 March 2025
(unaudited, approximate figures)

Shares in

Foresight Group Holdings Limited

began trading on the Main Market of the London Stock Exchange in February 2021

Foresight Group Holdings Limited was

Awarded the Green Economy mark on IPO



This recognises companies that derive 50% or more of their revenues from environmental solutions*

* Please note that the Foresight Inheritance Tax Fund does not target any particular sector, so an Investor's portfolio may not comprise any companies or underlying assets and trades in the environmental sector.

Foresight Group

£13.2bn

assets under management

on behalf of leading institutional and private investors

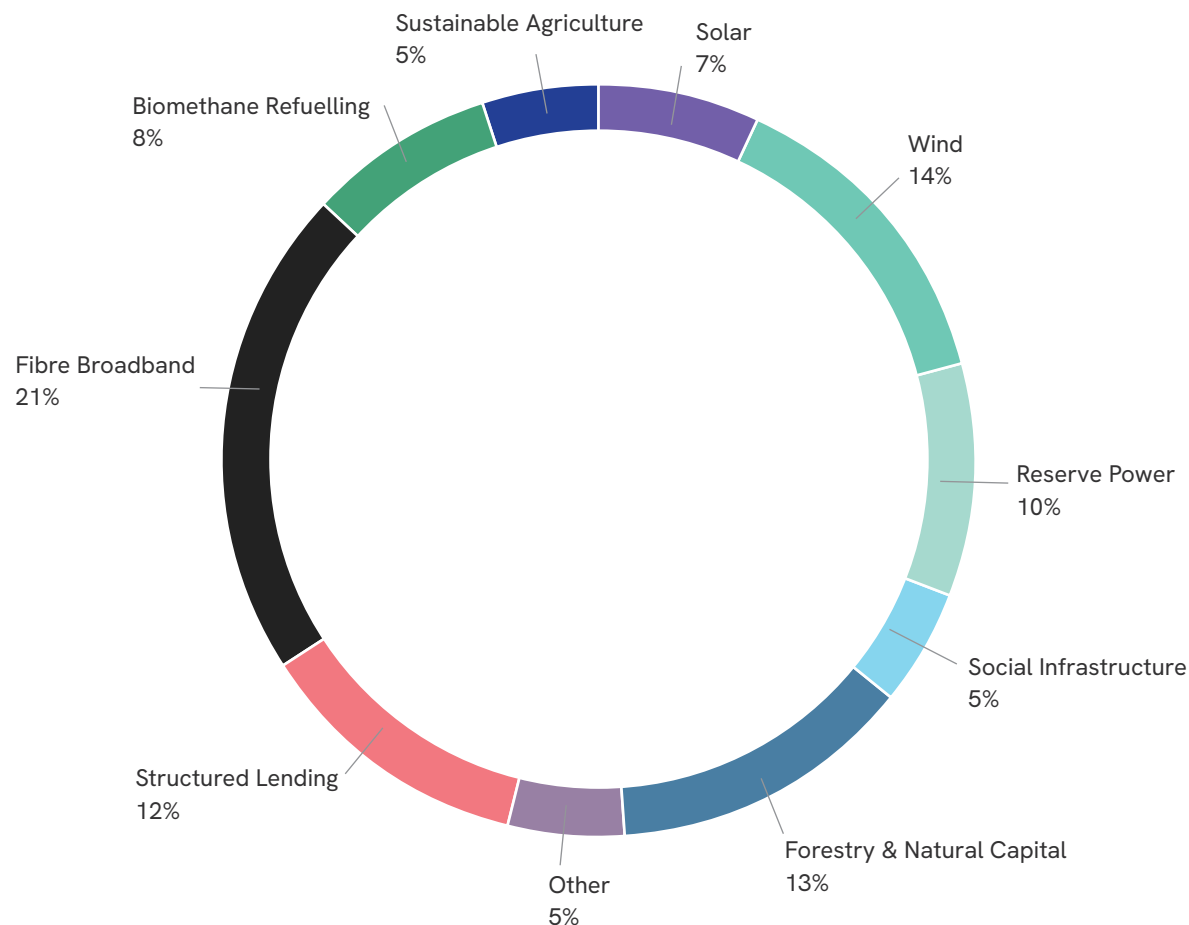
200+

institutional investors

including BlackRock, the European Investment Bank, British Business Bank and Local Authority Pension Funds

Underlying Investments

The Foresight Inheritance Tax Fund portfolio has a range of underlying investments, which is diversified, UK focused and cash generative. The current portfolio (excluding cash) is comprised of the following:



As at 31 March 2025

Annual Foresight ITS Performance

Over the last five years, average return for a Foresight ITS investor has been 5.5%*.

2021	2022	2023	2024	2025
3.8%	11.9%	4.6%	3.5%	3.7%

* 12 month period from 1 April in the prior year to 31 March in the year stated. Performance is net of all Foresight costs and charges. The returns stated refer to past performance, which is not a reliable indicator of future results.

Foresight Inheritance Tax Fund Renewable Energy Statistics (for the year to 31 March 2025)

Underlying wind, anaerobic digestion & solar assets produced

315.3 GWh

of clean energy

That's enough to power

116,782

UK households for a year

Notes



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This report is printed on Nautilus which is made from FSC® recycled certified post-consumer waste pulp. The FSC® label on this report ensures responsible use of the world's forest resources. Printed sustainably in the UK by Pureprint, a CarbonNeutral® company with FSC® chain of custody and an ISO 14001 certified environmental management system recycling over 100% of all dry waste.



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