



Foresight

FOR A SMARTER FUTURE

**FP FORESIGHT
SUSTAINABLE REAL
ESTATE SECURITIES FUND**
INVESTOR PRESENTATION

March 2023

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SECTION 1

Introduction to Foresight

Foresight Group Overview

A leading sustainability-driven global infrastructure and private equity manager



As at 28 February 2023

Foresight Capital Management

Specialists in listed real assets

Listed Real Asset Investment Specialists

- The Foresight Capital Management team have been managing OEICs that invest in real assets since 2017.
- The team have a specialist and wide ranging knowledge of the listed real asset market, with investments in infrastructure, renewable energy and property.

Leaders in Sustainable Investing

- Foresight Capital Management are significant investors in companies that provide a social or environmental benefit. This is a must for all investments.
- The Foresight Sustainable Real Estate Securities Fund has included its Sustainable Investment Criteria into the Fund's investment policy.

An Asset First Approach

- A real asset perspective to equity investing rather than an equity perspective to real asset investing.
- The team are focused on the quality of both the asset and its future cash flows.

Active Managers With Global Reach

- The Fund's portfolios are truly global, and the management team have visited companies in Europe, North America and Asia Pacific.
- The team are proactive in engaging with companies, both to assess their credentials and to encourage improvements to their levels of sustainability.



FP Foresight Sustainable Real Estate Securities Fund

Fund Features

Strategy Objective	Aim to provide an attractive income yield, that can be either distributed or reinvested, by investing in a global portfolio of sustainable listed real estate companies.
Performance Objective	The Fund aims to provide an income yield of 4% net of fees with a secondary objective to achieve capital growth over a rolling 5-year period.
Fund Structure	FCA Authorised UCITS
Investment Universe	Real estate companies, which will primarily be structured as a Real Estate Investment Trust “REIT”, who are listed on major global stock exchanges. Each company must be a viable long-term investment and meet the Fund’s Sustainable Investment Criteria.
Investment Style	A real asset approach to equity investing rather than an equity approach to real asset investing.
ESG	Sustainability is fully integrated into the investment process and the Fund’s Investment Policy. All investments must meet the Sustainable Investment Criteria.
Investment Basis	Long-only
Number of Stocks	25-35 listed real estate companies.
Currency Management	<ul style="list-style-type: none">▪ GBP unhedged share class launching June 2020▪ Hedged share classes pending investor demand.
Inception	15 June 2020

FP Foresight Sustainable Real Estate Securities Fund

Five Key Reasons to Invest

1

A highly liquid route to real estate exposure

The Fund will invest solely into listed Real Estate Investment Trusts (and similar). This means that liquidity is subject to being able to trade the shares on a stock exchange, as with an equity fund, and not on buying or selling physical properties, which can take weeks or months.

2

A resilient yield

The Fund will target a 4% income yield, which will be generated by property sectors enjoying tailwinds. In an uncertain economic environment, this can act a stable source of income for investors who are reliant on income.

3

Contributing directly to a sustainable future

We will invest only in companies that deliver a net social or environmental benefit, meet the ten principles of the UN Global Compact and meet one of four pre-defined UN Sustainable Development Goals.

4

Diversified global exposure to growth sectors

The Fund will provide investors with a globally diversified exposure to real estate, investing in companies with assets in Europe, North America and developed Asia. The portfolio will focus on growth sectors such as logistics, medical properties, social housing and data centres.

5

Specialist and award-winning fund management team

The Fund is managed by an award-winning fund management team, with a multi year track record of investing in listed real estate.

Track Record

Income performance remains on target supported by capital growth

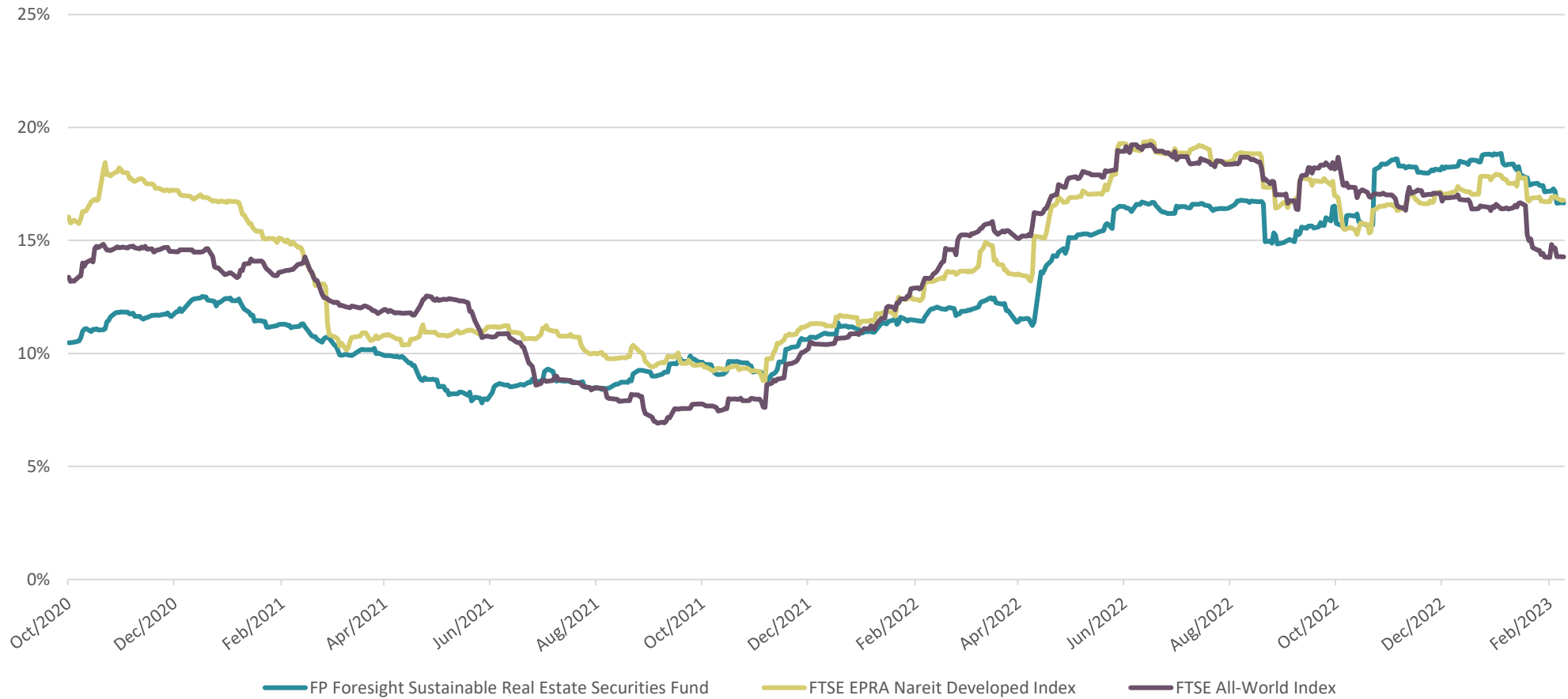


	1M	3M	6M	1YR	2YR	3YR	4YR	5YR	Since Inception ¹	12M Distribution
FP Foresight Sustainable Real Estate Securities Fund (TR)	-2.30%	1.03%	-11.65%	-17.92%	-4.91%	-	-	-	-1.95%	3.57p

Realised Risk

An active approach to investing in REITs leads to superior risk adjusted outcomes

Rolling 3M Volatility



	Volatility	Sharpe ²	Max Drawdown	Beta to FTSE All-World
Since Inception ¹	13.00%	-0.35	-28.61%	0.60

SECTION 2

Listed Real Estate as an Allocation

Introduction to Listed Real Estate

Since its establishment in the 1960s, the listed real estate sector has become a mature and well established asset class within public markets



£1.85tn

total capitalisation of the global listed REIT market



952

individual REITs



44%

of US households invest in REITs

Benefits of Listed Real Estate

The Fund is designed to provide investors with a liquid exposure to real estate. This is achieved by the Fund investing exclusively into the publicly traded shares of listed REITs, rather than directly into bricks and mortar. This approach provides several core advantages:

No liquidity mis-match

Shares in REITs are daily traded like any other public company and can be bought and sold at any point throughout the trading day. This fully aligns the daily liquidity of the Fund's structure with the liquidity of the assets it holds.

Resilient sectors

The Fund will invest into sectors of the property market that are well positioned to take advantage of modern tailwinds, such as the growth of e-commerce, evolving health care needs and data storage.

Diversification

Through investing in a portfolio of REITs that each hold large numbers of properties, the Fund is able to provide exposure to thousands of individual assets diversified across sectors and geographies .

As a % traded of market capitalization, UK REITs are more liquid than UK equities, with Global REITs 4% more liquid than Global Equities¹

SECTION 3

Sustainability and Investment Process

Sustainable Real Estate

Environmentally and Socially Sustainable

Real Estate houses the economy, and so an approach to sustainability that fails to address the energy consumption, carbon emissions and wider implications of real estate is in our view destined to fail.

Modern day Real Estate is progressing, integrating new technology and increasing efficiency to improve standards across the board.

Aside from environmental factors, Sustainable Real Estate can have a significant positive impact on society.

Through the allocation of capital, ordinary investors can play a vital role in supporting those companies that are having the biggest impact on a more sustainable future for our communities and the planet.

“Sustainability in the real estate sector is a prominent issue as the industry has a significant impact on the environment; buildings are responsible for 40% of energy consumption and 36% of CO2 emissions in the EU.”

European Public Real Estate Association

“REITs strive to be a good and welcoming neighbor through initiatives that deliver value and impact to the communities they serve.”

National Association of Real Estate Investment Trusts

Sustainable Real Estate

An Enabler of Financial Performance

REITs that can target and deliver sustainability outcomes will have better access to capital markets, own higher value assets and attract the best tenants. REF is focused on companies that are already operating at the leading edge and therefore positioned to outperform financially over the long-term.

Capital Markets

- REITs need ready access to debt and equity capital markets in order to grow their portfolios and earnings over the long-term
- Institutional investors are increasingly focused on sustainability factors, and price their capital accordingly

Tenants

- Tenants, and in particular larger companies with their own sustainability reporting requirements, are increasingly looking to lease real estate which performs strongly against a range of factors
- Attracting and retaining high quality tenants on the best terms will therefore be dependent upon REITs themselves targeting and delivering sustainability outcomes

Asset Value

- Real estate assets that perform strongly in areas such as energy efficiency will fundamentally be more valuable, as those factors deliver tangible financial benefits to owners

Foresight Capital Management Investment Process

Assessment against the Sustainable Investment Criteria

In order to be included with the portfolio, all investments must provide a net social or environmental benefit and meet the Fund's 3 part Sustainable Investment Criteria.

1

Stage 1: UN Global Compact

The company's strategy, economic activity and fundamental purpose must be consistent with all of the 10 UN Global Compact Principles.



2

Stage 2: UN Sustainable Development Goals

The company must make a demonstrable impact against one of four Sustainable Development Goals.



3

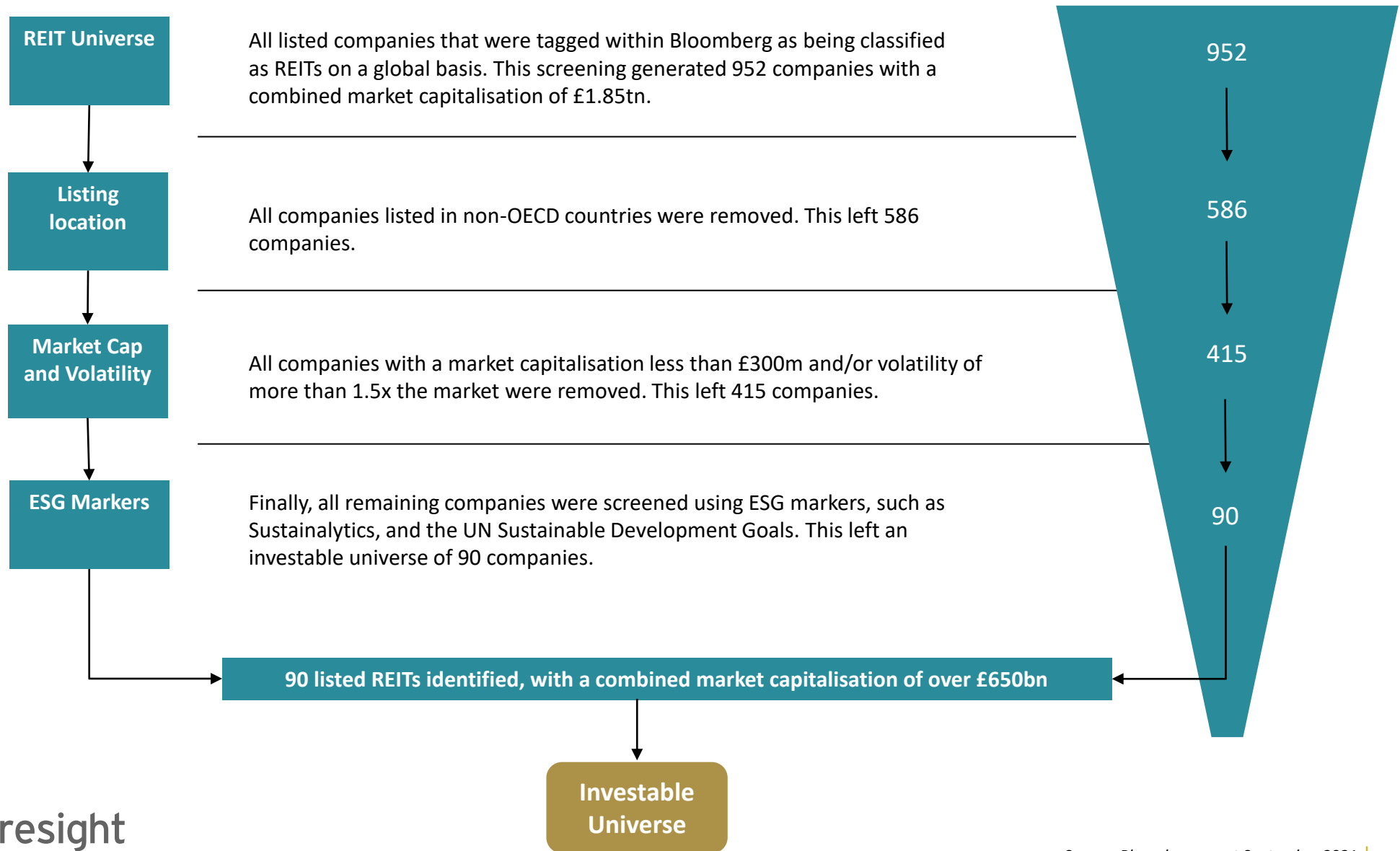
Stage 3: Qualitative Assessment

On the basis of detailed due diligence and discussion with management, does the fund management team believe that sustainability is a core and long-term focus of the company's portfolio and strategy?



Investable Universe

Targeted screening of the REIT universe identifies an attractive opportunity set that is growing



Foresight Capital Management Investment Process

Truly active management with a process designed to focus on sustainability and structurally growing property sectors

Growing Investment Universe of 90 Companies: Combined Market Cap Over £650bn

Bottom-Up Focus

- Focus on assessing the quality of the real estate and management team
- Evaluation of the sustainability criteria, including alignment to relevant UN SDGs
- Review of the company's portfolio composition, tenant strength, lease characteristics and risk factors
- Interrogation of sustainability criteria, asset quality and valuation assumptions
- Assessment of dividend profile and prevailing stock market valuation

Sustainability Driven

- Sustainability is a core part of the investment process for all holdings, both at the point of initiating positions and on an ongoing basis
- The company's strategy, economic activity and fundamental purpose must be consistent with all 10 UN Global Compact Principles and at least one of four UN SDGs
- The company must be assessed by the FCM investment team as delivering a net social or environmental benefit

Ongoing Active Engagement

- Meeting with management teams to gain a deeper understanding of how the business operates, their strategy and continuous monitoring
- Assessment of the viability of the company's long-term strategy to ensure it aligns with the fund's sustainability and investment objectives
- Proactive approach to engagement, with the team having visited companies throughout North America, Europe and APAC

Final Portfolio Composition

- Weightings tilted towards companies that offer best risk adjusted returns remaining valuation and macro aware
- Meets FCM's sustainability threshold, aligning directly with the Funds objectives

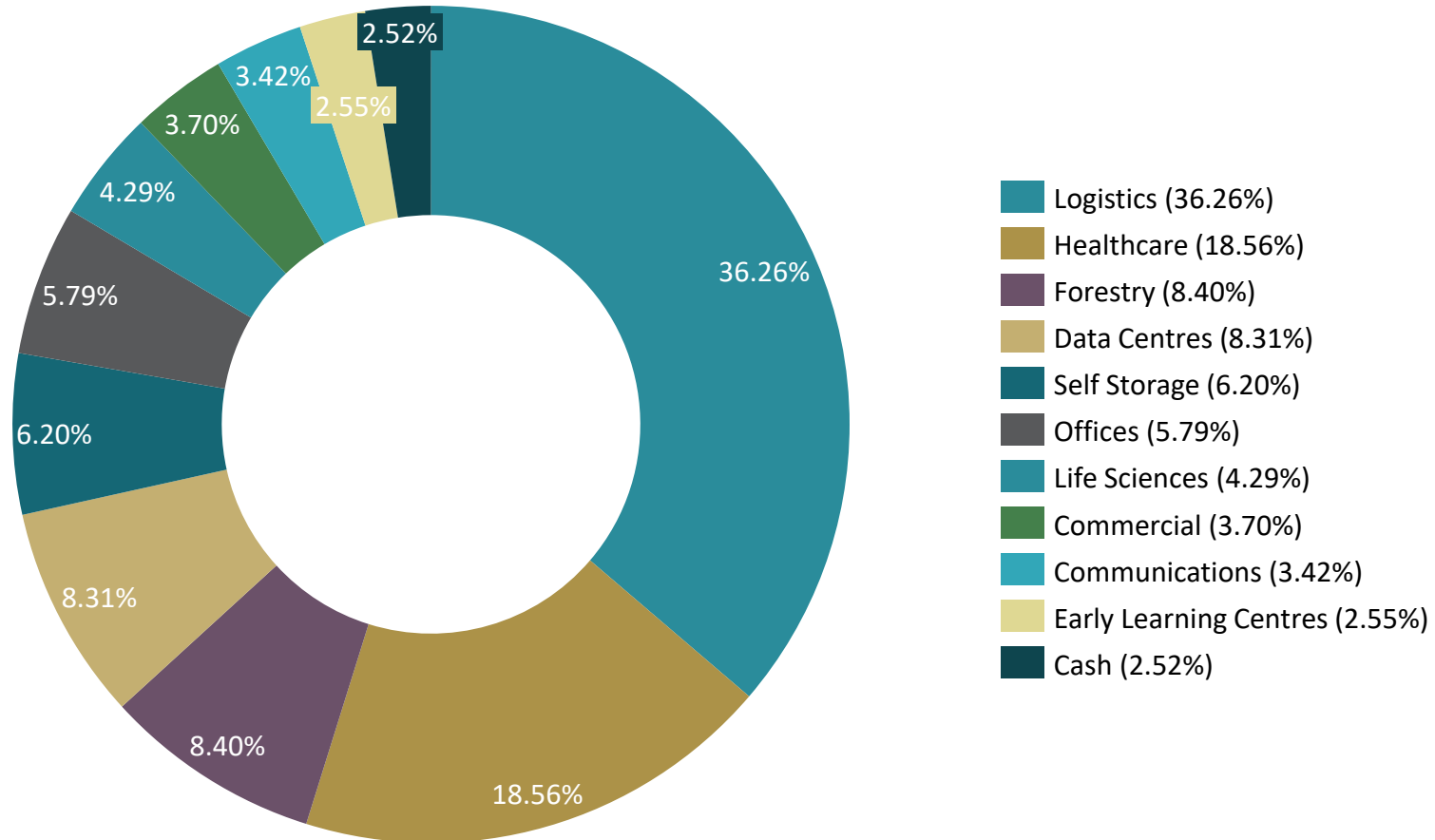


SECTION 4

Portfolio and Performance

Portfolio Sector Breakdown

The Fund has exposures to a variety of different sectors, proving multiple sources of returns

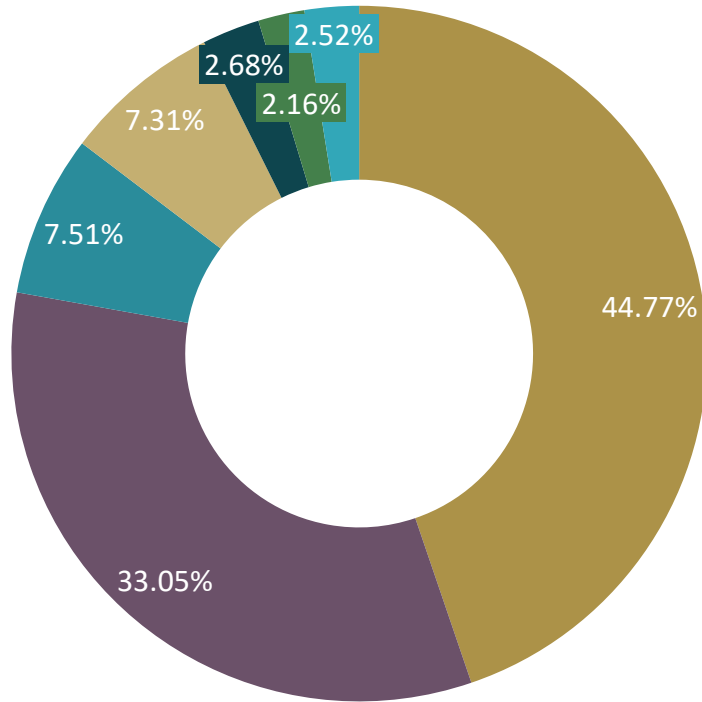


As at 28 February 2023

Geographic Asset Breakdown

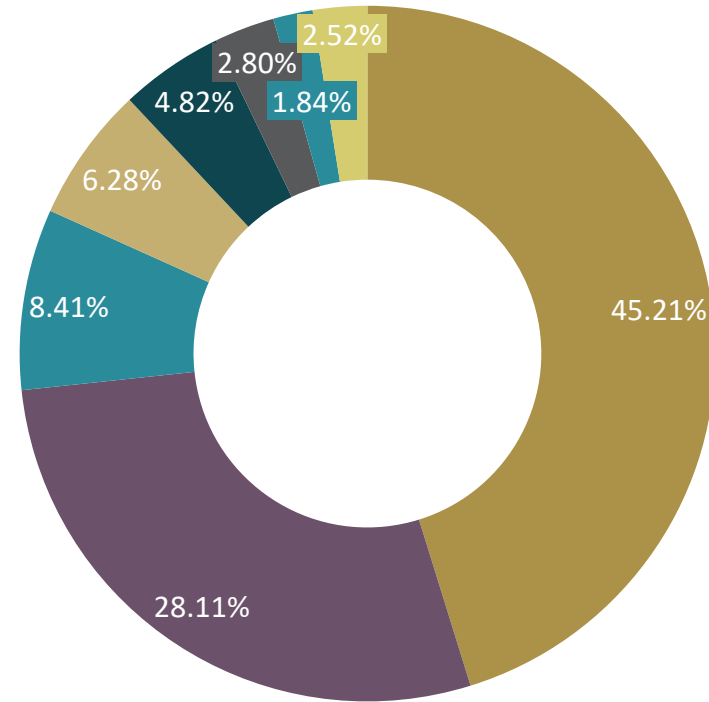
The Fund is globally diversified, providing access to quality real estate across the globe

Asset % of Portfolio (listing location)



- United States (44.77%)
- United Kingdom (33.05%)
- Canada (7.51%)
- Australia (7.31%)
- Japan (2.68%)
- Singapore (2.16%)
- Cash (2.52%)

Asset % of Portfolio (asset location)



- United States (45.21%)
- United Kingdom (28.11%)
- Europe (8.41%)
- Australia (6.28%)
- Canada (4.82%)
- Japan (2.80%)
- Other (1.84%)
- Cash (2.52%)

As at 28 February 2023

FP Foresight Sustainable Real Estate Securities Fund

Top 10 Holdings

Company	Sector	Listing Location	Allocation
Dream Industrial REIT	Logistics	Canada	7.51%
STAG Industrial	Logistics	United States	7.11%
Digital Realty	Data Centres	United States	6.15%
Tritax EuroBox	Logistics	United Kingdom	5.82%
Primary Health Properties	Healthcare	United Kingdom	5.72%
Physicians Realty Trust	Healthcare	United States	5.23%
Tritax Big Box	Logistics	United Kingdom	4.89%
LondonMetric Property	Logistics	United Kingdom	4.84%
PotlachDeltic	Forestry	United States	4.74%
Healthcare Realty Trust	Healthcare	United States	4.19%

As at 28 February 2023

Company Overview

- A\$1bn Australian Listed REIT with a portfolio of Early Learning Centres and Healthcare Assets
- Early Learning Centre is supported by Government subsidies, and so the tenants benefit from Government backed cash flows
- Assets are modern, purpose built and high quality



Investment Characteristics

- Cross-party support for childcare policy, and so few risks to tenant business model
- Rent collection is reliable, and was unaffected through the Covid-19 pandemic
- Assets are leased on long, 15 year+ leases. This translates to forecastable cash flows and visible flow of dividends
- At the current price, the dividend yield is over 3% with potential for growth

Sustainability Review

- Solar panels being deployed on assets, powering the facilities with clean energy
- Strategic ambition of deploying solar across the whole portfolio
- Childcare availability is a substantial driver of women rejoicing the workforce, improve equality in the communities around the asset
- High quality Early Learning Centres lead to improved education standards for children

Case Study: Physicians Realty Trust

Company Overview

- \$3.9bn US listed REIT that invests solely into Medical Office Buildings
- Portfolio of high-quality health care properties providing out-patient facilities leased to physicians and leading health care systems
- Over 60% of properties are leased to investment grade rated tenants
- Owns 275 properties across 30 states with 95%+ occupancy



Investment Characteristics

- Medical Office Buildings deliver health care in a more cost-effective manner reducing the burden on hospitals
- Focus on undersupplied off-campus buildings in communities and offers attractive risk adjusted returns
- Company is well positioned to benefit from demographic changes and increased health care spending in the US
- At the current price, the dividend yield is over 4% with potential for growth

Sustainability Review

- The Company's central mission is to provide better health care facilities to communities in which it operates
- Energy Star Partner since 2014 and monitors energy, water and waste data across all properties
- Explicit corporate objectives:
- Plans to complete 20 new IREM Certified Sustainability Property certifications by 2022
- Have prioritised LEED certified buildings for future acquisitions
- Directly aligns with SDG 3: Good Health and Wellbeing

Company Overview

- £4bn UK listed REIT that invests solely into Big Box logistics assets
- High quality tenants, over 80% of which are listed on major stock exchanges
- Big Box warehouses are extremely large, strategically located and form a key part of a company's supply chain
- Over 50% feature robotics and automation



Investment Characteristics

- Modern and purpose built asset base
- High quality tenant base, with Amazon 13% of the rent roll
- Demand for quality assets remains strong
- Portfolio well positioned to enjoy e-commerce tailwind
- At the current price, the dividend yield is over 2% with potential for growth

Sustainability Review

- All assets are subject to a Green Property Review
- 87% of portfolio now have an EPC of A-C
- All new developments have a BREEAM rating of at least very good, with some rated excellent
- The modern portfolio means that assets are energy efficient and are able to facilitate modern automation
- Directly aligns with SDG 9: Industries, innovation and infrastructure

FP Foresight Sustainable Real Estate Securities Fund

Key Features

Fund Name:	FP Foresight Sustainable Real Estate Securities Fund (“REF”)
Fund Structure:	A sub-fund of FP Foresight OEIC, a UK open-ended investment company (“OEIC”)
Regulatory Status:	FCA Authorised UCITS
IA Sector:	Property Other
Unit Type:	Income & Accumulation
Currency:	GBP (unhedged)
Minimum Investment:	Lump Sum: £1,000 + subsequent increments of £500 Regular Savings: £100 per month
Ongoing Charge:	0.85%
Transaction Costs:	Please refer to your platform or the latest fund EMT
Fund Price at Launch:	100p
Expected Return:	An income yield of 4% with the potential for capital growth over a rolling 5-year period.
Distributions:	Income: Quarterly from 31 November 2020 (Jan, Apr, Jul, Oct) Accumulation: Reinvested
Authorised Corporate Director (ACD):	FundRock Partners Limited
Investment Manager and Distribution:	Foresight Group
Launch Date:	15 June 2020
Final Accounting Date:	31 May
Interim Accounting Dates:	Last day of February; 31 August; and 30 November

FP FORESIGHT SUSTAINABLE REAL ESTATE SECURITIES FUND

Appendices

Ten Principles of the UN Global Compact

By incorporating Global Compact principles into strategies and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and the planet, but also setting the stage for long-term success.

Human Rights

1. Businesses should **support** and **respect** the **protection** of internationally proclaimed **human rights**; and
2. Business should ensure they are not **complicit** in human rights **abuses**.

Labour

3. Businesses should uphold **freedom of association** and the effective recognition of the right to **collective bargaining**;
4. The **elimination** of all forms of **forced** and **compulsory** labour;
5. The effective **abolition** of **child labour**; and
6. The **elimination** of **discrimination** in respect of employment and occupation.

Environment

7. Businesses should support a **precautionary approach** to environmental challenges;
8. Undertake initiatives to promote **greater environmental responsibility**; and
9. Encourage the **development** and diffusion of **environmentally friendly technologies**

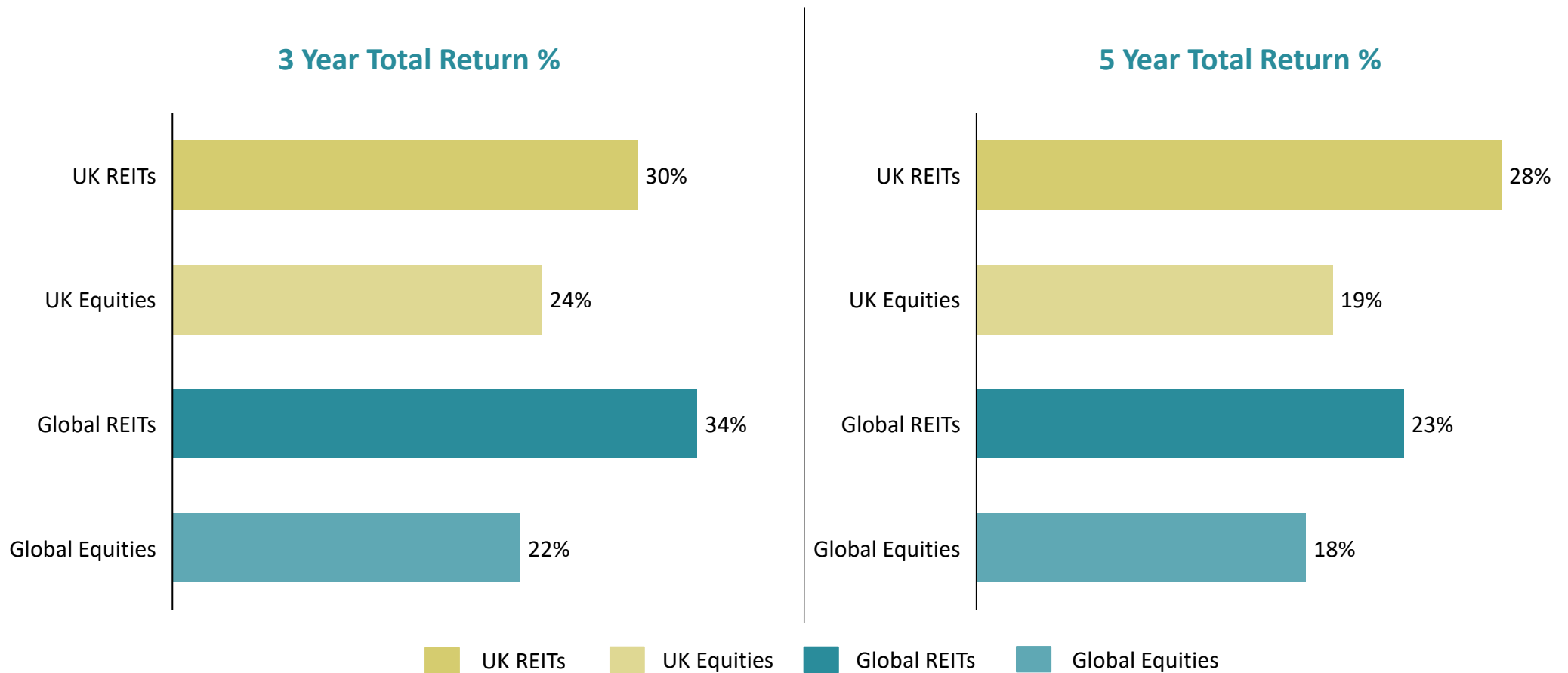
Anti-Corruption

10. Businesses should work against **corruption** in all its forms, including **extortion** and **bribery**

Recovery Potential of Listed Real Estate

REITs have historically outperformed equities after market falls

REITs have historically performed strongly following period of market turmoil. Using the equity market low in 2009 following the Global Financial Crisis, the below charts display the outperformance of REITs vs equities in both the UK and the globally. REITs perform well in uncertain times.



Model Portfolio Back-Testing

Back-tested total returns of the Model Portfolio over the five years to June 2020 indicate the attractiveness of sustainable real estate investments. Since June 2015, the back-tested Model Portfolio has returned 14.91% p.a. vs 10.29% p.a. for global equities.

Model Portfolio Performance

% Total Return



Foresight

FOR A SMARTER FUTURE

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