

Stakeholders

The Board recognises the fundamental roles our stakeholders play in achieving the Group’s long-term success and generation of value for Shareholders.

This section provides an overview of our engagement with stakeholders over the financial year.

Stakeholder engagement is extremely important to ensure the resulting outcomes of the Group’s operational, investment and strategic decisions are sustainable and positive. Through active engagement, we are able to foster relationships and collaborations, enhancing the quality of our interactions. This enables us to gain valuable insights and better comprehend the potential implications our business decisions may have on our Group and/or stakeholders. Consequently, we ensure that we are sufficiently and appropriately informed to effectively manage any negative impacts with a strong commitment to finding satisfactory solutions for all affected parties.

This section seeks to provide some insight to the stakeholder engagement that has taken place over the financial year. Engagement is undertaken by and for the Board, with the latter being undertaken by the Group’s management across the business. In such circumstances, management feed back to the Board either directly to Board members or via Board reporting, which is provided by all investment and other functions across the business.

The Board strategy day, which takes place on an annual basis with the Executive Committee and other members of senior management provides an opportunity for the Board to receive direct feedback from those present and reports from those not in attendance. The day also enables the Board and Executive Committee to discuss market conditions and industry trends and changes (please also see page 18 for more details).

Details of the Board’s activities over the year can be found on pages 79 to 80, and our Section 172(1) statement on page 42 provides an overview of how the Board has discharged its statutory obligations.

Additionally, details of key stakeholder group engagement is provided on the following pages.



Stakeholders continued



Our Shareholders – current and future

Our Shareholders are the owners of our Company.

Focus

- To provide more transparency and clarity in disclosures and communications generally
- To safeguard and improve market position
- To ensure the market, Shareholders and other stakeholders are kept informed

How we engaged

- Ongoing engagement programme for existing Shareholders and potential new Shareholders to meet with the Executive Directors and divisional management
- Attended sell side conferences and roadshows for the UK and European investor market
- Communicated with key Shareholders in regard to the revised Directors' Remuneration Policy
- At the request of a significant shareholder, arranged a meeting for them to meet the Audit & Risk Committee Chair to discuss the Group's approach to risk
- Communicated with proxy voting agencies in regard to AGM resolutions to ensure sufficient transparency and explanations, and to understand voting trends
- Engaged with our house brokers to review valuation, defence and market best practice for the communication of strategic targets

Outcomes

- Buyback programme announced in October 2023
- Feedback received on Directors' Remuneration Policy from Shareholders and proxy voting agencies
- Increased awareness of our position in the market via discussions with brokers, analysts and advisers to determine how to improve our position and address weaknesses



Our People – our Partners and staff

Our people are our most valuable assets, and their development and wellbeing are key to our success.

Focus

- To improve opportunities for people development
- To improve engagement and retention
- To improve diversity and inclusion

How we engaged

- Completed Annual Staff Engagement Survey and Employee Forum to gain employee feedback
- Increased attention to people development including Foresight Connect sessions to facilitate knowledge sharing across the Group, and the Foresight Skills Series to provide skills enhancement
- Launched LEAD, our middle management coaching courses run by our external executive coach in conjunction with senior leaders from within the business
- Launched ELEVATE, our bespoke Women in Leadership programme run by external coaches which is currently working with our second cohort of female leaders
- Launched THRIVE, our DE&I strategy, which shows both what we will achieve and how we intend to do this
- Refreshed and rebranded our mentoring programme, ACE, to provide both traditional mentoring and reverse mentoring

Outcomes

- 87% response rate to staff survey, scoring 81% for engagement. Noted both areas of strength and areas for improvement so that actions can be identified and addressed
- Skills enhancement initiatives gave effectiveness ratings of 90-100%. Excellent pick up of mentoring initiative with over 122 people currently taking part, and monitoring of staff undertaking formal external training
- Improvement in gender split and staff engagement scores for DE&I increased to 82%
- Wellbeing bonus offered to staff members to use for gym membership, leisure and other activities, with an uptake of 92%

Stakeholders continued



Our Clients, Investors and Financial Advisers ("FAs")

Understanding the needs of our clients and customers is important to our long-term success. For our retail products, our sales are via our FA network and it is important for us to build strong relationships with them.

Focus

- To ensure that our sales and investor relations operations are compliant with applicable regulations
- To ensure our staff are appropriately trained to promote a high standard of customer service
- To ensure we understand the needs of our clients, investors and FAs to develop our products and services
- To provide training to our FAs and build our FA network

How we engaged

- Carried out a customer survey with certain FAs to gain feedback for improvement
- Feedback from the sales and investor relations teams via Board reporting and direct presentations to the Board
- Reporting to and meetings with sales and investment teams' senior management regarding:
 - expanding the distribution of products and services
 - potential business product development opportunities
- Sales and investor relations team engagement with FAs as regards the portal service and products

Outcomes

- Distribution of products in the US and engagement of placing agents to identify sales opportunities in other countries
- Portal roll-out to FAs bringing operational efficiencies and increased security over personal data
- New institutional funds in new investment sectors, e.g. hydrogen



Our Communities

We recognise the importance of contributing to our communities through volunteering, working with local schools, community investment and forming longer-term partnerships.

Focus

- To ensure that the investment teams have appropriate tools and controls in place to assess community impact, aligning with the UN SDGs
- To support staff in their charitable activities
- To promote Foresight's external reputation by supporting communities local to our business locations across the Group

How we engaged

- Supported staff participation in local community projects in Australia, Italy and the UK
- Implemented PACT, our bespoke in-house platform, which allows us to monitor our portfolio companies' community engagement
- Established internship programme for the Retail Sales team with the Amos Bursary, a charity that supports talented students of African and Caribbean heritage
- Foresight's continued support of the Bayes Business School and new association with Svitlo School, an education charity offering English language classes to Ukrainian children

Outcomes

- One day cancer screening provided to women in Manfredonia, which doesn't fall within the Apulia Region Screening system
- Raised funds for various charities through staff activities
- The first Amos Bursary intern was offered a full-time role at Foresight
- Hosted Svitlo School's first and second anniversary celebrations and a five week-long interactive career series with Ukrainian students residing in the UK and Ukraine

Stakeholders continued



Our Suppliers and Service Providers

Our service providers enable us to enhance internal capabilities, strengthen business continuity and satisfy legal and regulatory requirements and are essential in ensuring high standards and efficiency in both our operations and our funds.

Focus

- To ensure due diligence is carried out at onboarding and periodically thereafter
- To ensure a robust selection process for new service providers
- To ensure active management and day-to-day contact and adequate oversight

How we engaged

- Service providers reviewed against our business standards and applicable regulatory obligations to manage and monitor risk
- Oversight of service providers is delegated to the senior management and compliance teams who carried out due diligence visits on a selection of service providers in accordance with a risk-based approach and updated the Board on material issues and risks via compliance and risk reporting
- Hosted service providers' own due diligence visits where the business has completed information and documentation requests and meetings with the service providers to a satisfactory standard
- Maintained day-to-day contact with our service providers via the operations teams, who manage these relationships

Outcomes

- As a result of our due diligence visits to and from our service providers, we have improved the processes between the business and the service providers for operational effectiveness and enhanced service delivery
- Where relevant, we made minor recommendations to the service providers such as changes to processes and procedures and continuing training
- Following the FCA imposing a number of restrictions on the custodian of two VCTs for which the management recently transferred to Foresight, the custodian's directors applied to Court to place the custodian into special administration, whereupon Joint Special Administrators ("JSAs") were appointed. Foresight senior management are working closely with the JSAs towards completing the special administration process and will appoint a new custodian



Regulatory and Industry Bodies

As an investment management group, we are subject to financial services regulation in the jurisdictions in which we operate.

Focus

- To ensure our various authorisations, registrations and licences are maintained
- To maintain an open and transparent relationship with our regulators
- To ensure we maintain our memberships and signatory status of the industry bodies important to our business

How we engaged

- Relationships with the regulators delegated to the Compliance and other teams across the business whose activities require engagement. The Board is kept informed via regular Board reporting
- Engagement with regulators to ensure filings and notifications made on time
- Engaging with industry bodies and regulators in matters relevant to Foresight
- The Company received a letter from the FRC on 1 March 2024 requesting further information following their review of our Annual Report and Accounts for the year ended 31 March 2023. Following our responses, the FRC confirmed post year end that they had closed their enquiry. Further detail is provided in the Audit & Risk Committee report on page 84.
- Completion of questionnaires and applications for renewal of memberships and signatory status

Outcomes

- The UK Compliance Team provided classroom training in various key areas over the course of the year in relation to changes in/upcoming regulations in addition to mandatory training
- All regulatory filings were made and all regulator correspondence duly answered
- The Board was updated and appraised on regulatory change implementation and upcoming regulatory change developments which will impact the business
- Review of our corporate structure to meet sustainability related regulations
- We scored 5 stars in the UN PRI assessment and contributed to a number of initiatives and consultations run by governmental and industry bodies to help bring about/influence positive change

Stakeholders continued

Annual Staff Engagement Survey

Stakeholders



Strategic pillars



Enhancing communication and strengthening Diversity, Equity and Inclusion (“DE&I”) at Foresight Group

Our annual employee survey results show an impressive 87% response rate, with a score of 81% for engagement. They consistently highlight our people, our culture and our sustainable ethos as the most rewarding aspects of working at Foresight Group.

Our advancements in DE&I efforts were also positively reflected in the DE&I section of the engagement survey, showing an increase in scores from 76% last year to 81% this year. We have also seen an increase in membership in the Pride network, with members across all of our jurisdictions.

While we acknowledge the strengths shown in the survey, we also recognise areas for improvement, particularly in enhancing communication across the organisation. The leadership team acknowledges our challenges and is invested in implementing a strategic communication plan over FY25 to improve this at all levels. This can be measured using our Staff Engagement Survey results and our Employee Forum.

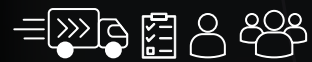
Our initiatives to support our female colleagues have led to us doubling our paid maternity leave offering and developing our own bespoke Women in Leadership programme run by external coaches to best position our female talent in achieving leadership roles. Our CFO is the Executive Committee sponsor of this course and he has been part of each cohort’s launch and celebration sessions.

Looking ahead, we are using systems to help strengthen our DE&I initiatives. We will be rolling out PACT, our bespoke in-house system, which will share people data metrics with Heads of Departments on a quarterly basis, so they have oversight and ownership of the DE&I statistics. A global calendar has already been shared, showing our DE&I initiatives and highlighting national events and public holidays that demonstrate the global business that we are and ensuring meetings can be scheduled in a more inclusive way.

Stakeholders continued

Foresight's Brand Evolution

Stakeholders



Strategic pillars



We view investment as more than just capital allocation; it's about creating lasting impact and sustainable growth for our investors. Our brand plays a pivotal role in communicating this message.

Drawing upon the expertise from both internal and external stakeholders, we have evolved the brand to position Foresight as a prominent international, founder-led FTSE 250 business. The strategy has been driven by our commitment to brand excellence, innovation, and investor-centricity.

Regulators and Competitors

The sustainable finance landscape is becoming increasingly competitive, with companies striving to stand out while adhering to new regulations to mitigate greenwashing. In response, we have enhanced our corporate narrative and visual identity to support our investment case, tailored to our various investor types, growth businesses, and other stakeholders.

Our peer analysis highlighted themes of solidity, commitment, advice and financial wellbeing. No other business model matches ours in terms of breadth and audience reach. While "sustainable impact" becomes harder to define, we represent it with new words and visuals, demonstrating our leadership. Under the Foresight banner, we now bring consistency and cohesion to our communications, clearly conveying who we are, and what we do.

Our Green Economy Mark substantiates our Group narrative. Over 70% of our assets under management (AUM) are investments that align with the Multilateral Development Banks' list of activities considered universally aligned with the Paris Agreement's mitigation goals. This includes energy transition, sustainable land and food, social infrastructure, and digital infrastructure.

Service Providers from the Creative & Communications industry

Collaborating with creative and communication agencies, we have developed a brand that reflects our bold, pioneering, entrepreneurial character, designed to be digital first.

'Invest. Build. Grow.'

is our narrative framework, enabling our messaging to flourish across all audiences, both internal and external.

We invest to build a sustainable future and grow thriving companies.

With decades of experience, our strategies offer investors access to compelling opportunities at the forefront of change. Every day, we are actively building and growing our investments to support the energy transition, decarbonise industry, enhance nature recovery and realise the economic potential of ambitious companies.

We have introduced a bold new colour palette with a graphic ripple to signify the impact we have on the markets we operate in, along with our commitment to the natural world and protecting biodiversity on the assets we manage.

We have invested in photography of our own assets to visually explain our portfolio performance, and bring to life the people and places behind each investment success story.

Colleagues & Communities

Our marketing and communications team, along with a broad community of contributors from across the business, managed this project internally. We held workshops involving a diverse range of roles and functions to ensure our company identity is built from within.

Investing in our future.
It takes *Foresight*.

