

## Sustainability

### Sustainable investment

#### Sustainable investment at Foresight

Foresight has a long track record of investing in assets and businesses that deliver positive social and environmental outcomes. We integrate sustainability considerations throughout the full investment lifecycle, from origination and due diligence to active ownership and long-term stewardship. Our philosophy is rooted in the belief that sustainability underpins strong governance and supports resilient, future-ready businesses and infrastructure. It is also integral in our products, with this best summarised by our Sustainability Vision:

Foresight is a leader in sustainable finance by investing in real assets and businesses that deliver long-term value for investors, communities and the planet.

Our leadership ambition is underpinned by the nature of the assets we invest in. Across our platform, Foresight focuses on opportunities that contribute to a sustainable economy. The breadth of sustainable assets found across the portfolio enables Foresight to deliver a wide range of positive outcomes for our Stakeholders.

For more details on how Foresight integrates sustainability across its business and investment approaches through its Sustainability Policy framework, please see page 78.

#### Foresight and the spectrum of capital

The spectrum of capital provides a useful lens for understanding the full range of investment approaches available to investors today. It illustrates how strategies can span from traditional, financial-only driven investing to philanthropy, with a variety of responsible, sustainable and impact-led approaches in between. On the following pages, we provide case studies which set out how we deliver positive outcomes across two of our investment strategies, which are also plotted below on the spectrum of capital.



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### 1 Regional private equity in the UK and Ireland

Foresight is one of the most prominent regional private equity investors in the UK and Ireland with 16 regional funds managed across 13 offices. This makes Foresight well positioned to act as a leader in “place-based” investing in the UK and to deliver positive local impact for communities.

#### Challenges

- The UK exhibits persistent regional economic disparity, with capital flows and productivity concentrated in London and the South-East despite a broad SME base nationally
- Access to growth capital is uneven, with private equity and later-stage investment disproportionately directed to larger transactions and southern regions, leaving a funding gap for established regional SMEs
- There is disparity between the large size of investors interested in local investing and the relatively small investment sizes required to support SMEs

#### Investment and stewardship approach

- 56% of Private Equity investment team based outside of London
- Close partnership with portfolio companies, holding a board or observer seat on 100% of Growth and Buyout investments and 90% of Venture investments
- Strong emphasis on integrating sustainability into investment process and stewardship, with 100+ KPIs tracked across Growth investments

#### Outcomes<sup>1</sup>

c.5,000

Jobs supported across the Regional Investment fund series<sup>2</sup>

51%

Proportion of employees in skilled roles across the Regional Investment fund series<sup>3</sup>

50+

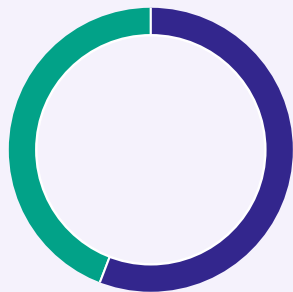
Of UK counties and regions with Foresight-backed businesses<sup>4</sup>

69%

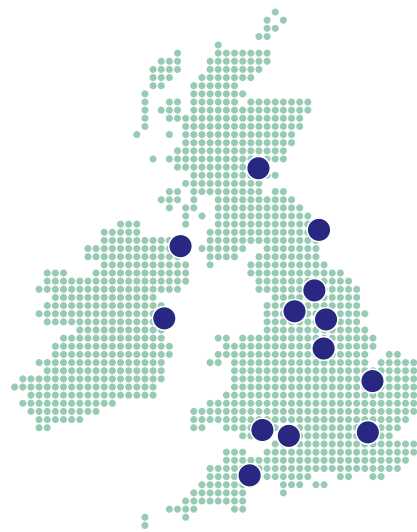
Of portfolio companies in the Regional Investment fund series have female board representation

1. All outcomes as at 31 December 2025.  
 2. Figure does not take into account Foresight’s ownership stake of individual companies.  
 3. Skilled defined as roles with a salary of over £30,000.  
 4. Coverage spanning England, Scotland and Northern Ireland.

All PE and VC investments by region



■ London and South-East | 56%  
 ■ All UK regions excl. London and South-East | 44%



Source: BVCA RIA 2024 Online Data. By investment value.

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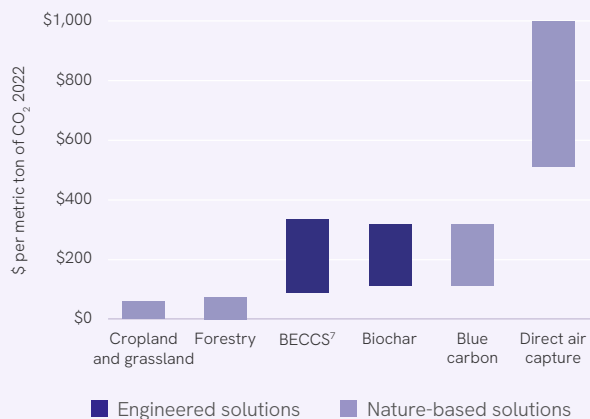
## 2 Supporting natural capital

Foresight launched its natural capital strategy in 2020, focusing on the active management and enhancements of landscapes that generate enduring value. The strategy covers afforestation, forestry, peatland restoration, biodiversity net gain and investments in regenerative agriculture.

### Challenges

- Global collapse in biodiversity amid impacts of climate change
- Significant cost of CO<sub>2</sub> removals (see chart below)
- Exponential growth of net zero pledges driving growth in carbon credit market and a potential shortage in credits<sup>1</sup>
- National timber security alongside increased demand for sustainable timber<sup>2</sup>
- Tackling physical climate-related risks

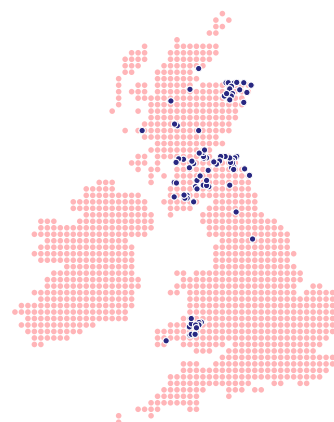
Levelised cost of atmospheric CO<sub>2</sub> removal and storage<sup>3</sup>



1. Source: SBTi Monitoring Report 2023.  
2. Source: Department for Environment, Food & Rural Affairs: Timber in construction roadmap 2025.

### Investment and stewardship approach

- Follow a long-term, balanced, land-use allocation and management strategy
- Focus on fair, inclusive and equitable use of land including through community engagement and the Foresight-funded Forestry Skills Training Programme
- Aim to deliver independently verified “high-integrity” carbon and biodiversity credits
- Utilise technology and advanced techniques to aid tree planting and growth, including trials of mycorrhizal fungi inoculation at the point of planting



● UK forestry locations

3. Source: McKinsey: Carbon removals, how to scale a new gigaton industry (2022).  
4. All outcomes relate to FNC I.  
5. Data as at 31 March 2026.

### Outcomes<sup>4</sup>

1.3m

Tonnes of timber supply over the next 40 years<sup>5</sup>

13.0m

Trees in afforestation planting programme<sup>5,6</sup>

1.6m

Tonnes of carbon to be sequestered by trees planted in afforestation programme<sup>5,6</sup>

26

Trained through Forestry Skills Training programme (to end of FY26)

100%

Of forestry PEFC/FSC certified within 12 months of acquisition or planting

6. Figures refer to total numbers on the full planting of the afforestation programme (which has not yet completed).  
7. BECCS refers to Bioenergy with Carbon Capture and Storage.