

# Section 172(1) statement

Foresight Group Holdings Limited is incorporated under Guernsey law, which does not have a statutory equivalent to section 172(1) of the Companies Act 2006 (“s172”). However, the Board is committed to complying with the UK Corporate Governance Code (the “Code”) and, as required under Provision 5, has undertaken to act in a manner consistent with s172 and give consideration to the matters set out in s172 when making decisions and providing oversight and leadership of the Group.

To illustrate how the Board has considered the matters set out in s172, the adjacent table highlights some of the key decisions and actions taken by the Board over the course of the year.

These decisions include alignment with the Group’s strategy, the interests of our Stakeholders and employees, and the impact of the Group’s operations on the community and environment.

Other examples of how the Board has considered the matters set out in s172 can be found in our Stakeholders section on pages 45 to 51.

As a result, the Board considers that it has promoted the success of the Group in compliance with s172 in a manner consistent with the Group’s purpose, values and strategy, having due regard to the Group’s ongoing regulatory responsibilities.

## Examples:

### The likely consequences of any decision in the long term

- The Board considers the long-term consequences of its decisions as part of its strategic oversight of the Group. Strategy, business plans and budgets are reviewed annually, with progress monitored through regular Board reporting and ad hoc updates from Senior Management.
- During the year, this included continued oversight of the share buyback programme, balancing capital returns with the Group’s long-term funding needs and growth ambitions.
- The sale of Foresight Capital Management (“FCM”) recognised the change in market opportunity and the aim to streamline the Group’s business. The sale enables Foresight to focus on private markets, deploying long-duration capital across Real Assets and Private Equity, where it can leverage its competitive advantages and strong investment performance in the long-term interests of Shareholders.

### The need to foster the Group’s business relationships with suppliers, customers and others

- The Board recognises that strong relationships with clients, financial advisers, suppliers and strategic partners are essential to the Group’s long-term success and sustainability.
- The Group supports these relationships through dedicated investor relations and strategic partner teams, alongside established supplier management, due diligence and payment processes designed to promote transparency and fairness.
- Customers and clients were an important consideration in the Board’s decision to sell FCM. The Board considered the long-term interests of FCM clients and concluded that they would be well served under Guinness Asset Management, a specialist public markets investment manager with a strong track record in open-ended fund structures and clear ambitions to grow its capabilities in listed real assets and impact strategies. The Board also considered the wider customer base of Foresight Group and believes that the transaction supports these relationships by enabling increased focus and investment in the Group’s private markets platform.

### The desirability of the Group maintaining a reputation for high standards of business conduct

- The Board considers the Group’s reputation for high standards of business conduct to be fundamental to maintaining client trust and supporting long-term growth.
- The Group operates within a robust framework of policies, controls and internal audits, and is subject to regulatory oversight and client due diligence. It also aligns with recognised industry standards, including the UN Principles for Responsible Investment, and requires all employees to adhere to its Code of Conduct.

Read more in:

- Financial Review
- Strategic Report

Read more in:

- Business Review

Read more in:

- Audit & Risk Committee report
- Stakeholders

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### The interests of the Group's employees

- The Board recognises that employee engagement, development and retention are critical to the Group's long-term success and form part of its discussions on strategy, culture and succession.
- The Board, acting via the Group's People and Culture team, undertakes various initiatives and activities to promote diversity and inclusion and gain employee feedback to enable it to make improvements and address employee concerns.
- Via the People & Culture team, a new HRIS, Hi Bob, was implemented to better support employee interaction, job architecture and organisational planning.
- The Board recognised the importance of achieving a good outcome for those employees affected by the sale of FCM. In selecting a counterparty, the Board took into account Guinness's strategy, culture and resources, and its ability to provide continuity and development opportunities for employees transferring with the business. The Board also considered the position of those employees not transferring and sought to ensure that appropriate support and arrangements were put in place as part of the transaction.

Read more in:

- Sustainability
- Stakeholders

### The impact of the Group's operations on the community and the environment

- The Board considers environmental and social impact as part of its oversight of strategic and investment activities. During the year, the Board approved Foresight's new Sustainability Strategy and its first Climate Alignment Plan, which together underpin the delivery of environmental and social value by the Group.
- Sustainability considerations are embedded within the Group's investment processes and are assessed as part of Investment Committee decision-making. Employees are also supported in contributing to their communities through initiatives such as the Group's annual volunteering day.

Read more in:

- Sustainability

### The need to act fairly between members of the Company

- The Board is committed to the fair treatment of all Shareholders and considers the interests of minority Shareholders when making decisions.
- Specific governance arrangements are in place to support this, including dual and independent-only voting on certain matters at the AGM. Capital management activities, including share buybacks, are structured to ensure transparency, fairness and compliance, and are communicated through regulatory announcements.

Read more in:

- The AGM Notice

