



We invest in the transition
to a sustainable economy.

Sustainability

Introduction



Throughout the past year the Foresight team has remained focused on ensuring that sustainability enhances the resilience of our business, supports value creation for our investors, and contributes positively to the communities and environment in which we operate.

This has been an important year of progress for sustainability across Foresight. We strengthened the foundations of our approach by introducing a new Group-wide Sustainability Strategy and developing our first Climate Alignment Plan. These provide a clear framework for how we integrate sustainability into decision-making and manage material risks and opportunities. Together, they give the business a coherent framework for action which ensures that sustainability continues to support the delivery of our broader corporate strategy.

We have also been pleased to see strong engagement from teams across the organisation, which remain highly supportive of embedding sustainability into their everyday roles. This is something I see clearly through my role as co-Chair of the Group's Colleague Forums.

Looking forward, my Board colleagues and I remain committed to working alongside the Foresight team to build on the momentum created this year as we deliver against our Sustainability Strategy.

Alison Hutchinson, CBE

Senior Independent Non-Executive Director and Board member with responsibility for sustainability

78%

of Foresight employees believe the Company has a positive impact on the community and environment

How we deliver positive outcomes

At Foresight we take a holistic approach to sustainability that embraces both the products and services that we sell, our "handprint", as well as our people and our operational processes, our "footprint". Our employees sit at the heart of this approach in delivering our strategy, upholding our values, and driving meaningful environmental and social outcomes across our portfolio.

On the following pages you will see examples of how we deliver positive change through our handprint and footprint



HANDPRINT



FOOTPRINT

Data relating to discontinued operations (FCM)

Post-period end, Foresight Group announced an agreement to dispose of its public markets FCM division. Consequently, throughout this Annual Report, data relating to FCM has been classified and presented as a discontinued operation. In advance of the expected completion of this agreement, we have continued to include FCM within certain sustainability data, predominantly relating to people data and carbon emissions, where we have also provided breakdowns which set out FCM's relevant footprint for FY26.

CASE STUDY

Delivering clean energy with community benefit in Sweden

Within our FEIP portfolio, the Kølvalen and Skaftåsen wind farms provide a combined 508MW of capacity to the Swedish grid, enough to power 361,020¹ homes per year. Both projects contribute towards Sweden's transition to a low-carbon energy system and highlight the importance of the energy transition as a core theme within FEIP's strategy. Together, the two sites comprise 77 turbines, underscoring the significant footprint of these assets.

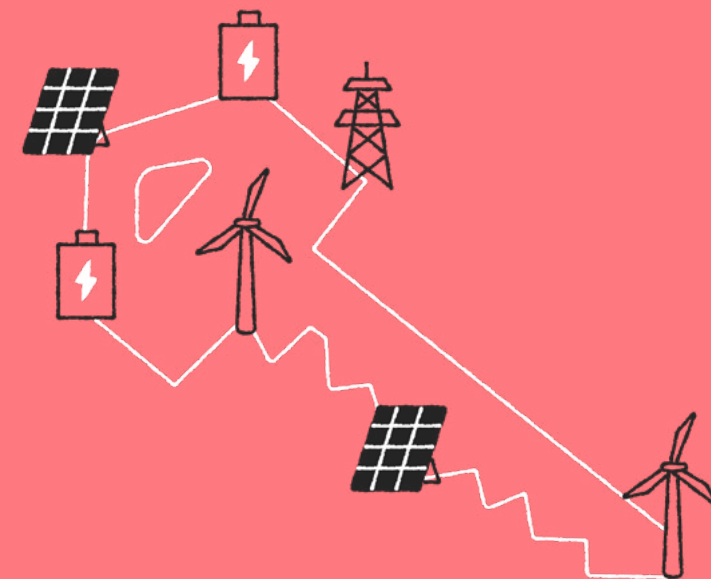
As a responsible investor, Foresight is committed to managing these assets sustainably. Both wind farms operate community benefit funds, through which a portion of revenue is allocated to local initiatives, ensuring that these projects deliver not only decarbonisation benefits but also lasting economic and social value for nearby communities.

Alongside our commitment to community benefit is our focus on nature-positive asset management. Skaftåsen is currently being used as a test site for the development of a Nordic Nature Recovery Strategy, building on our existing Nature Recovery Blueprint. This Blueprint was originally designed to encourage nature-positive management practices across renewable assets in the UK, and we are now looking to adapt and expand this approach to the Nordic region.

1. Calculated with Foresight's SDG calculator for objective 7.2 Affordable & Clean Energy, which divides renewable energy generated by an asset by the country-specific average household electricity consumption per year.



HANDPRINT



CASE STUDY

Delivering outcomes across our Private Equity portfolio

Enhancing our sustainability platform

Within our Private Equity division, during the year we have further strengthened our support for portfolio companies across our sustainability priority areas. We have expanded the range of resources available on our Sustainability Platform, ensuring that companies can access materials tailored to their specific needs. In parallel, we have increased direct engagement with companies, including through the development of a new portfolio sustainability newsletter.

One of our key priorities during the year was to improve the breadth and quality of the data we collect across the portfolio. In particular, we focused on increasing data coverage across our Ventures investments.

To support this, we introduced a tailored questionnaire designed to capture the most relevant data for companies at this stage of development. Engagement has been positive, with the data gathered highlighting the strong outcomes being delivered across our diversified portfolio.

Improvements:

- 140 portfolio companies providing data to Foresight (up from c.40 in the prior year)
- Resource library regularly updated, currently comprising 18 template policies and a wide breadth of additional tools
- Eight development videos and resources added to platform
- Enhanced output visuals to support clearer ESG analysis and data presentation for use in portfolio operations

**Portfolio spotlight****Family Adventures Group**

Family Adventures Group is an award-winning UK soft-play and childcare provider within our Growth and Buyout portfolio. In a sector where consistent, high-quality staffing underpins child welfare and safety and drives family retention and financial performance, Family Adventures Group has prioritised employee wellbeing and engagement.

What they did

- Introduced enhanced benefits for staff inspired by employee feedback
- Invested in staff development including through a new Future Leaders Programme

1. As rated by parents on daynurseries.co.uk.
2. Source: DfE pulse survey of childcare and early years providers, April 2024.

- Launched a successful apprenticeship programme which has a strong track record of offering permanent employment on completion
- Provided free nursery places for extremely vulnerable children through a discretionary bursary fund

The difference it made

- Top 20 UK nursery group in 2024 and 2025 according to parents¹
- Inclusion within The Sunday Times 100 Best Places to Work
- Employee turnover average of c.13%, versus c.20% industry benchmark²
- Since Foresight's first investment in January 2024, staff headcount has increased by over 40% to c.380
- Free nursery places provided to 44 children in 2025

CASE STUDY

Employee volunteering across Foresight

As part of our commitment to positively impact the communities in which we operate, Foresight employees are given one day each year to volunteer for good causes. Across our UK and international offices, teams engage with a wide selection of charities spanning several focus areas. These range from supporting youth-related projects to other themes such as biodiversity and nature.

Our partnership with the Eden Project, for example, has delivered volunteering days focused on nature recovery in both rural and urban settings.

During the year we were able to deliver four volunteering days through this partnership, including multiple days at the Spitalfields Crypt Trust, a London-based charity for those struggling with addiction. These initiatives provide valuable opportunities for employees to step away from their day-to-day roles and engage with local communities, whilst strengthening team cohesion across the business.



FOOTPRINT



Sustainability Strategy



“Foresight is committed to the integration of sustainability into our products and into our management processes. We do this because we believe it adds value to how we manage our investments, helping us to identify and address new opportunities, manage risk, and embed resilience within our business. Sustainability is also a powerful motivator, helping us to attract and retain employees and to build strong relationships with key Stakeholders.”

Seb Beloe

Managing Director, Group and Real Assets Sustainability

Our Sustainability Strategy

This year marks a notable step forward in the evolution of our approach to sustainability. Building on our longstanding commitment to responsible investment and our heritage in renewable energy and sustainable infrastructure, we have developed a new Group-wide Sustainability Strategy that defines a clear direction for the years ahead. The Strategy reflects our ambition to look beyond capital – delivering long-term value for our investors, clients and the communities in which we operate.

The Strategy provides a unified framework for embedding sustainability across the business. It brings together our purpose, values and capabilities into a coherent set of priorities structured around three strategic pillars:



These pillars reflect the key sustainability priorities in our business and also represent areas where we believe Foresight can have the greatest impact.

The Strategy integrates the findings of our double materiality assessment (“DMA”) which we refreshed in FY26 and aligns with our approach to managing sustainability-related risks and opportunities. To measure progress and assist our Stakeholders in understanding our performance, we have identified a range of key metrics, which are set out on pages 64 and 65 of this report.

Overall, the Strategy provides a clear roadmap for how sustainability will continue to create value and support Foresight’s long-term growth.

CASE STUDY

Delivering our Sustainability Strategy through the power of partnerships

Collaborating with Eden and our PE portfolio

The delivery of our Sustainability Strategy is supported by strong collaboration with external partners at Group level and within our investment divisions. These partnerships span themes including community engagement, nature recovery and social value creation, including our ongoing collaboration with the Eden Project, which began in 2022.

Our work with Eden has supported biodiversity enhancements across our Real Assets portfolio, while also giving us access to a highly respected educational charity with deep expertise in nature-positive practices. During the year, Eden began pilot projects with two companies in Foresight's Private Equity portfolio – Bloemteknik and Zayndu.

The Bloemteknik trial explored how its customisable lighting solutions can optimise crop yields, while the Zayndu trial focused on using its proprietary technology to enhance seed performance, particularly in extending the longevity of Eden's Wildflower Seed Bank. Results from both trials have been encouraging for Eden and the portfolio companies, with discussions now ongoing on how to progress these collaborations.

Together, these pilots demonstrate how Foresight can act as a convener – bringing together partners and portfolio companies to deliver both sustainability outcomes and commercial value.



Sustainability Strategy

Our Climate Alignment Plan

Over the past year, we have developed our first Climate Alignment Plan to strengthen how we manage climate-related risks and opportunities across the business. We recognise that a credible and transparent approach to the management of climate-related risk is increasingly important to our Stakeholders, and we have invested significant time in identifying the most appropriate framework for Foresight's diverse portfolio.

The Plan covers 96% of the Group's Scope 1-3 greenhouse gas emissions and is focused on the Real Assets division, reflecting its central role in shaping Foresight's overall climate profile.

The Plan is informed by recognised external frameworks, including the Science Based Targets initiative ("SBTi") Financial Institutions Net Zero ("FINZ") recommendations, which we have used to guide our approach¹. The Climate Alignment Plan establishes a series of clear climate-related objectives. These cover climate-aligned assets, climate solutions, clean energy exposure and power generation emissions intensity, which we will monitor and report against over time.

We believe that these objectives are appropriate for our business and its investment strategy, which is already heavily weighted towards assets which are aligned with a future low carbon economy. They set a clear and credible direction for Foresight's climate ambition, one that we believe can be translated into practical action across the organisation.

➤ More detail on the underlying indicators, methodology and objectives for our Climate Alignment Plan can be found in the ISSB section later in this report on pages 87 and 88.

Climate Alignment Plan

Metric	FY25 baseline	FY30 objective	FY40/50 objective
Climate alignment: Proportion of assets that have reached a Net Zero State ²	49%	65%	FY40: 95%
Exposure to climate solutions: Proportion of assets invested in climate solutions	55%	≥58%	FY50: ≥70%
Clean energy to fossil fuel ratio: Ratio of investments in clean energy to fossil fuels	11:1	22:1	FY40: 100:1
Power generation emission intensity: Weighted average emissions intensity of power generation (tCO ₂ /MWh)	0.13	TBD3	FY40: ≤0.001

Update on progress against FY26 goals

In FY25 we set five goals for the year ahead. These were primarily focused on establishing the foundations to direct and co-ordinate sustainability work across the Group. The table below provides a summary of the key deliverables which have been achieved against each goal.

Goal	Update
1 Establish Key Sustainability Risk Indicators across Foresight Group to supplement our existing reporting	Key Risk Indicators integrated into Risk Appetite Statement and tracked in our Enterprise Risk Management system
2 Create a Sustainability Accountability Framework within the Group Sustainability Strategy	Accountability Framework developed and implemented as a decision-making process for sustainability issues across the Group
3 Enhance our process for regulatory horizon scanning to further build resilience across Foresight Group	New process for regulatory horizon scanning implemented. Regulatory updates now circulated regularly to relevant Stakeholders
4 Reinforce our commitment to DE&I by further embedding inclusive practices into our business operations	- Mandatory DE&I e-learning course launched for all employees - Launch of new employee management system to enable better tracking and monitoring against DE&I targets
5 Further develop and refine our approach to proactive management of climate and nature-related issues	- Climate Alignment Plan launched - Work undertaken to prepare for preliminary assessment of nature-related risks and dependencies in FY27

1. Source of guidance: SBTi FINZ standard, Version 1.0, July 2025. Foresight is not seeking validation from the SBTi for its Climate Alignment Plan.

2. Net Zero State is defined within the SBTi FINZ standard.

3. FY30 interim objective to be published in FY27 following analysis of restated FY25 carbon emissions data.

CASE STUDY

Renewable energy in the age of energy security

Geopolitical developments in recent years, including notably the war in Iran and severe disruption to shipping through the Strait of Hormuz, have underscored the critical role of renewable energy in supporting not only decarbonisation, but also long-term energy security. Europe's large wind and solar base, for example, has helped to moderate the impact of inflated gas prices on wholesale electricity prices. This is especially pronounced in economies that have built out their renewable capacity in the past few years¹.

At Foresight, we are proud to be a significant investor in renewable power across Europe and Australia. These assets are now routinely the cheapest form of new energy, helping to insulate economies from fossil fuel energy shocks, while also dramatically reducing greenhouse gas emissions.



Some key facts

90%

reduction in cost of solar cells and batteries over the last decade²

£7 million

per day saved by Britain in March 2026 in gas purchases as a result of new wind and solar, versus March 2021³

2.8 million

Equivalent to 2.8 million homes powered annually by renewable energy from our Real Assets portfolio⁴

1. This impact is particularly notable in Spain, but even in the UK electricity prices have increasingly been de-coupled from the price of gas. Source: Nesta analysis, May 2026, "The energy price cap: the post-Iran crisis is pushing up bills, but clean power may be lowering them".
2. Source: Our World In Data, "Solar panel prices have fallen by around 20% every time global capacity doubled".
3. Source: Ember Energy, "Clean power fortifies Britain against gas price shocks".
4. Calculated with Foresight's SDG calculator for objective 7.2 Affordable & Clean Energy, which divides renewable energy generated by the country-specific average household electricity consumption per year.

Sustainability Strategy

Our long-term objectives

As part of our strategy, we have set out seven long-term objectives which align with the three pillars of our Sustainability Strategy. These are designed to support the delivery of our ambitions across a range of focus areas and will shape our actions and decision-making across the Group. FY26 figures are shown in the table below.

We are also committed to reporting our progress towards the objectives of our Climate Alignment Plan. The metrics which underpin these objectives are also set out in the table below, including FY25 baselines.

Progress on the objectives will be monitored regularly and reported annually from FY27 onwards.

Responsible Business:

Ambition	Metric	Scope	Target	FY26
Objective: Uphold high standards of ethics and governance				
Zero tolerance for corruption and policy violations ¹	Number of detected issues addressed, including fines and convictions for violations	Group	100% of issues addressed as soon as practicable or failing that within 12 months	Zero reportable issues, fines or convictions during the year
Objective: Align investment practices with global sustainability standards				
Demonstration of Foresight as a responsible and sustainable investor	Maintain five-star PRI score	Group	Five-star scores across all questionnaires	Five-star scores across all questionnaires with the exception of listed equities (four-star)
Positively impact local communities through Real Assets projects	£ donations to local charities and community projects	Real Assets	No target	£2.7 million
Positively impact local communities through PE portfolio	£ invested in underserved regions since 2015 ²	Private Equity	No target	£477 million

1. Policy violations refers explicitly to violations of bribery, corruption, discrimination, and severe human rights issues.

2. Figure relates only to investments through regional funds, with underserved regions defined as areas outside of London and the South-East of England. Foresight is currently working with the Good Economy to assess the direct and wider economic impacts of our investments.

Sustainability Strategy

People and Culture:

Ambition	Metric	Scope	Target	FY26
Objective: Build a more equitable and inclusive workforce				
Advance workforce diversity and inclusion with a focus on achieving gender balance in leadership	% of Senior Management roles filled by women ¹	Group	30%	23%
Objective: Strengthen employee engagement and wellbeing				
Boost employee engagement by achieving high levels of staff satisfaction	Engagement score from staff survey	Group	80%	79%

Climate and Environment:

Ambition	Metric	Scope	Target	FY26
Objective: Achieve climate alignment across our investments				
Increasing our zero-emission power generation (Real Assets)	Gigawatt-hour ("GWh") of renewable energy generated	Real Assets	No target	7.6TWh ²
Objective: Reduce operational emissions				
Reduce absolute and normalised Scope 1-3 (excl. financed) market-based emissions (Group)	Tonnes of CO ₂ equivalent (tCO ₂ e) and Weighted Average Carbon Intensity (tCO ₂ e per £ of revenue)	Group	See Climate Alignment Plan objectives	5,217.6 tCO ₂ e 31.6 tCO ₂ e/£m revenue
Objective: Foresight to be recognised as a leader in sustainable investing				
Positively impact biodiversity through the management of our assets	Hectares of assets covered under a biodiversity improvement plan	Real Assets	No target	8,100 Ha

1. Defined as Managing Director grade or above, plus Heads of Department.

2. Includes wind and solar, solar batteries, hydropower, geothermal, biomass and anaerobic digestion facilities (operational assets only) and covers the period April 2025-March 2026.

Sustainability

Our people



“At Foresight, our people and values are central to our culture and fundamental to delivering our strategy.”

Our people

Reflecting on the past year, I am proud of the progress we’ve made in supporting our people. As a growing organisation investing in a range of emerging technologies, our success is driven by the talent and commitment of our teams, and we have been pleased to achieve several important milestones this year.

Throughout the year we have been particularly focused on investing in learning and development. We have significantly expanded our training offering – drawing on both internal expertise and external specialists – across a wide range of topics, as well as hiring a dedicated lead for talent and development. The Technology and Development team have played an especially active role, championing training initiatives across the business, particularly in the rapidly evolving field of AI.

Our commitment to diversity, equity and inclusion (“DE&I”) underpins our people strategy and this year we introduced DE&I training for all employees. Our women in leadership programme, Elevate, continues to gain momentum and we were pleased to see it awarded Highly Commended in the Best DE&I Initiative category at the Business Culture Awards. To date, 47 women have participated in the programme, both internally at Foresight and externally as it is now available to senior women across the Finance industry. The external reach of Elevate underpins the quality of the programme, as well as the wider requirement for initiatives like this to support the next generation of female leaders in the sector.

We have also further developed our European and Australian Colleague Forums as spaces for diverse perspectives and open dialogue. In particular, we have been focusing on supporting alignment across teams and offices, with this culminating in the delivery of our first Global Colleague Forum post-period end. Across the various employee workstreams delivered by the Forums I remain deeply grateful for the continued support provided by Alison Hutchinson in her role as their co-Chair.

At Foresight, our people and values are central to our culture and fundamental to delivering our strategy. I look forward in the year ahead to working alongside a committed team focused on delivering excellence for our business.

Suzie Ruffley
Chief People Officer

Sustainability

Our people

Working at Foresight

Governance of our people strategy

Our People and Culture (“P&C”) team is led by our Chief People Officer, Suzie Ruffley, who sits on the Group Management Committee and regularly attends the Executive Committee. She reports directly to the CEO and is supported in her work by Alison Hutchinson, who acts as the Colleague Representative on the Board and co-Chair of the Foresight Colleague Forums.

Policies

Our commitment to our workforce is demonstrated through comprehensive global employee policies, country-specific policies and detailed employee handbooks. These policies, along with our commitment to providing a safe and inclusive workplace, reflect our ongoing efforts to support and protect our employees in all aspects of their professional journey.

We have well-established internal processes to address potential or actual negative impacts on our workforce. These include internal investigations, mediation and corrective actions with follow-up steps to ensure resolution. Employees can raise concerns through the P&C team or by following the formal complaint procedure outlined in the Employee Handbook.

Policies, including those relating to whistleblowing, are in place to protect employees from retaliation or discrimination when raising concerns and we aim to ensure that all staff are aware of and can access these channels in confidence.

Engaging with our workforce

We provide employees with regular opportunities to share their views and contribute to shaping the working environment. These include Colleague Forums, an annual engagement survey and Company-wide meetings where they can submit questions anonymously to senior leadership.

Our European and Australian Forums meet quarterly and led a number of initiatives during the year, including our “Values Champion” competition, where employees were rewarded with prizes for best representing Foresight’s core values. Full anonymised notes from the Colleague Forums are included in the P&C quarterly Board packs, with a summary also provided in the main Board Report.

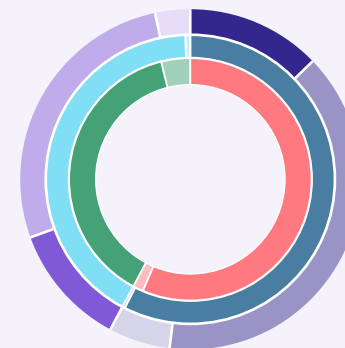
Our engagement survey offers employees an anonymous platform to share feedback across a wide range of topics. Feedback from the survey is helpful in guiding priorities for the following year, with the outputs from the FY25 survey being reflected in our decision to choose learning and development as a priority area for the business during FY26. In FY26, our overall engagement score was 79%, a slight increase from 78% in FY25, with a strong participation rate of 90% (FY25: 91%).

We also engage a large number of our employees through the ACE mentoring scheme, which supports career development and cross-functional learning, and through leadership training sessions designed to provide space for feedback, discussion and capability building among managers and senior leaders.

Our commitment to DE&I

Our approach to DE&I continues to be delivered through our THRIVE strategy. This reflects our recognition that diversity of thought and perspectives is critical to our onward success as a business and is a key component of delivering a successful and forward-thinking culture. A core component of THRIVE is our commitment to supporting female leaders across our business. This includes delivering this through our Elevate women in leadership programme, which is covered in more detail on the following pages.

Employees by age, employment type and work pattern



Employees by age¹

	Male	Female
Under 30 years old	■ 58	■ 53
Between 30 and 50 years old	■ 178	■ 122
Over 50 years old	■ 26	■ 15

Employees by employment type¹

	Male	Female
Permanent	■ 260	■ 188
Temporary	■ 2	■ 2

Employees by work pattern^{1,2}

	Male	Female
Full-time	■ 256	■ 173
Part-time	■ 6	■ 17

1. As at 31 March 2026.

2. Part time is defined as working less than 35hrs a week.

CASE STUDY

Elevating ambitious and motivated women in finance

During the year, we were pleased to see the continued growth of our bespoke women in leadership programme, Elevate. Elevate is designed to empower women with the insights, mindset, skills and confidence needed to excel in leadership. It addresses a persistent cross-sector challenge: the underrepresentation of women in senior leadership roles.

The programme draws on neuroscience-informed leadership development techniques and follows a structured curriculum delivered by internal and external coaches, creating a comprehensive and impactful learning experience. Now open to external candidates, Elevate has seen strong demand, with consistently high satisfaction scores from participants. During the year, 14 individuals completed the programme, including seven Foresight employees. Targeted at senior manager level and above, Elevate has demonstrated a strong impact on career progression, with a notable proportion of Foresight participants achieving promotion shortly after completion. The influence of Elevate across our business has therefore been compelling and on the next page, Laura Grenier, a participant in this year's cohort, shares her perspective on the programme.

50%

of internal participants have been promoted within 12 months of completing the programme

We have also focused on broadening the programme's reach and accessibility beyond direct participants. During the year, we launched the Elevate Networking Event Series, with the inaugural event held in February and attended by over 70 participants. The event featured Olympic medallist Fatima Whitbread MBE alongside bestselling author and leadership coach Gina Gardiner, who shared insights on resilience, growth and leadership. This series is open to Elevate alumni and coaches, Foresight employees, and women across the financial services sector. Planning is already underway for further events in FY27, as part of our ambition to develop Elevate into a broader forum where challenges can be openly shared and collective action taken.



Sustainability

Our people

Q&A with Elevate participant Laura Grenier

Laura Grenier is Director, Head of Finance in the Corporate Finance team at Foresight Group.

What made you want to take part in Elevate?

When I was offered the opportunity to participate in the programme, it was actually perfect timing as I found myself at a crossroads in my career. I had recently joined Foresight in a new role and felt that this was an opportunity to challenge myself whilst leveraging the skills and experience I had built up in my career to date.

Could you talk me through some of the main areas covered in the programme?

The Elevate programme extends across a wide variety of skillsets and is designed to be flexible in supporting all of its participants. Some of the key areas include:

- Personal attributes and traits, which for me translated as recognising the importance of my own personality and values on my career
- The importance of communication
- Leadership styles and how to adapt and evolve those to specific circumstances, teams and career stages
- Strategies for intentional and structured career planning

We participated in a variety of practical activities and group work, as well as inward-looking exercises to surface personal insights – I was genuinely surprised by some of the feedback and results from the practical exercises we completed! I have found these practical tools particularly useful, to give me confidence in communication, organisational and leadership skills, building on the constructive feedback from our live classroom work.

What would you say you have gained most from taking part?

I have many different takeaways which have impacted me in multiple ways. I used to think that if you worked hard and were committed this would automatically be recognised. Working through the Elevate programme I have realised that intentionality in connections and showcasing personal achievements and differentiating skillsets is key to drive progress and support career development.

Taking a step back was extremely valuable and often provided surprising insights. For example, consideration of how much our different values impact on who we are, how we lead, interact and communicate with others.

My new buzzword is intentionality! To bring to conversations, meetings, planning, communications and drive my career agenda in the direction I would like it to take.



What would you say to anyone who is considering signing up to Elevate?

This is a highly participative programme – you will get out what you put in. However, the investment of your time and attention is more than outweighed by the opportunity to progress your career intentionally, not just upwards but also by widening your skillsets. The opportunity to take time away from the day-to-day schedule and step back to consider the bigger picture is invaluable and empowers career planning for the longer term.

Sustainability

Our people

Our commitment to DE&I is also reflected in our external partnerships, where we have particularly focused on supporting schools and educational charities. We partner with the Amos Bursary, a charity that supports state school students of African and Caribbean heritage by providing academic and professional opportunities. This includes offering participants internship opportunities at Foresight across a number of departments. We also work in partnership with Svitlo School, which supports the education of displaced Ukrainian children, and Sacred Heart, which provides access to learning and enrichment opportunities for students from underrepresented backgrounds.

Finally, the role of training is also a key element in our approach to DE&I. During the year we were pleased to launch our first mandatory DE&I training module for all employees. This provides employees across the business with a clear foundational knowledge of inclusion and its importance to our business. This training covered inclusive practices around age, disability, neurodiversity, parenthood, carers, race and culture, religion and belief, sex and gender bias, gender identity and expression, sexual orientation and socio-economic status. Alongside this, we provide support to line managers, providing guidance on inclusive hiring practices and the skills needed to lead diverse teams effectively.

Learning and development

Key to supporting our employees is our commitment to learning and development, a focus area following on from our FY25 engagement survey. We have a strong track record of providing employees with the funding and support to further their personal and professional development.

This includes bespoke training and courses delivered by both internal and external providers. Employees are also able to access an uncapped training budget which they can utilise to support their professional development.

We deliver a variety of Company-wide development initiatives. These include regular "Foresight Connect" sessions on relevant topics, with the Sustainability and Technology and Data ("T&D") teams running separate series of Connect sessions during the year covering a broad range of themes. In total, we saw attendance from 771 employees across ten Foresight Connect sessions during the year.

Pay and benefits

We conduct regular benchmarking exercises to ensure our total compensation packages, including base salary, short-term incentives ("STI"), and long-term incentives ("LTI"), remain competitive. We operate a UK Share Incentive Plan ("SIP") Scheme for all Pay As You Earn ("PAYE") employees and have a Phantom SIP Scheme to mirror this for our other European and Australian employees.

During the year we also introduced the Wellhub corporate wellness solution for Foresight employees in the UK, Europe and Australia. This provides employees with access to a platform with a range of benefits including access to gym and fitness studios, with this benefit reflecting our commitment to supporting our employees in living healthy lives.

Gender pay gap reporting

For the purposes of this disclosure, "Senior Management" is defined as Managing Directors and above, plus any Heads of Department. This definition reflects the structure of our organisation and the levels of leadership responsible for strategic and operational decision-making.

As at 31 March 2026, 23% of Senior Management roles were held by women and 77% by men.

Mean average gender pay gap for hourly pay
FY26: 26% and FY25: 25%.

Median gender pay gap for hourly pay
FY26: 25% and FY25: 23%.

Mean gender pay gap for bonus pay
FY26: 43% and FY25: 52%.

Median gender pay gap for bonus pay
FY26: 34% and FY25: 51%.

The gender pay gap at Foresight reflects the current distribution of roles across the Group, with a higher concentration of men in senior, higher-paid positions. Whilst base pay and bonus structures are consistent across equivalent roles, the broader workforce composition continues to influence the overall gap.

At Foresight, we remain committed to addressing this imbalance. Our approach includes diverse hiring, targeted talent mapping, and the continued delivery of our bespoke women in leadership programme, Elevate, which supports the progression of female talent into senior roles.

Please see more detail of gender pay gap in our Remuneration Committee report on page 143.

Sustainability

Our people

Work-life balance metrics

All Foresight employees are entitled to enhanced maternity, paternity and adoption leave. These policies reflect our commitment to supporting our employees in balancing their professional and family responsibilities. Additionally, Foresight supports part-time working where the role allows it.

Characteristics of Foresight's own workforce

Foresight's own workforce had 452¹ employees and 16 self-employed workers at year end. Employees are based across offices in the United Kingdom, Australia, Spain and other European locations as shown in the table on the right.

The total employee number represents an increased headcount of 30, reflecting our continued investment into the business. Female employee representation decreased by 2.5 percentage points to 42% over the period.

A total of 89 employees left during the year, an employee turnover rate of 20%, up on 14% last year. Nearly three-quarters of these exits were voluntary. The increase reflects strong market demand for talent as well as higher levels of internal movement driven by growth and evolving roles. The Group continues to invest in reward, career development and engagement to support retention and long-term stability.

Foresight had no non-guaranteed hours employees.

Own workforce²

	FY26				Year-on-year increase/decrease
	Male	Female	Other	Total	Total
Own workforce	277	191	0	468	+26
No. of employees	262	190	0	452	+30
Self-employed	15	1	0	16	-4
% of employees	58.0%	42.0%	0.0%	100%	—

Employees by country²

	FY26 No. of employees	FY25 No. of employees	Year-on-year increase/decrease
United Kingdom	354	321	+33
Australia	61	62	-1
Spain	16	17	-1
Italy	7	7	—
Ireland	8	5	+3
Luxembourg	0	5	-5
Other	6	5	+1
Total	452	422	+30

1. Agency workers are not tracked and their numbers considered immaterial.

2. As at 31 March 2026 and 31 March 2025.

Sustainability

Our people

Targets

We are committed to the Women in Finance Charter, a government initiative to improve gender balance in financial services. As part of this, we've set a target to reach 30% female representation in Senior Management by the end of 2027. Setting a target helps to ensure that we stay focused on making progress and hold ourselves accountable through regular tracking and reporting. This target forms part of the core metrics that we choose to track alongside our Sustainability Strategy.

Adequate wages

All Foresight employees are paid above the applicable minimum wage in their respective countries of employment.

As part of this commitment, we are also accredited as a London Living Wage employer, ensuring that all employees and regular contractors in London are paid in line with or above the independently calculated living wage.

Compliance with wage requirements is monitored through regular payroll reviews and updates to reflect changes in local legislation.

Social protection

All employees have social protection. These vary across jurisdictions and include sick leave, pension and family leave.

Collective bargaining and social dialogue

Collective bargaining agreements are in place in Italy, Spain, Greece and Germany covering all employees and social dialogue agreements are in place in Italy and Spain covering all employees.

Actions for health and safety

Mandatory health and safety training has been introduced for all office-based employees globally. In addition, Institution of Occupational Safety and Health ("IOSH")-accredited training is required for all field-based workers – both permanent and temporary – to ensure consistent health and safety standards across our operations.

Foresight Group's own workforce is primarily office based and similar to last year there were no serious¹ health and safety incidents during the reporting period.

Incidents of discrimination and human rights violations

There were no recorded severe incidents of discrimination or human rights violations within our workforce during the reporting period.

1. Serious health and safety incidents include fatalities within the organisation's workforce or among other workers on its sites arising from work-related injury or ill health. They also include recordable work-related accidents resulting in more than three consecutive days of absence or restricted duties, and diagnosed cases of work-related ill health within the organisation's workforce.



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:

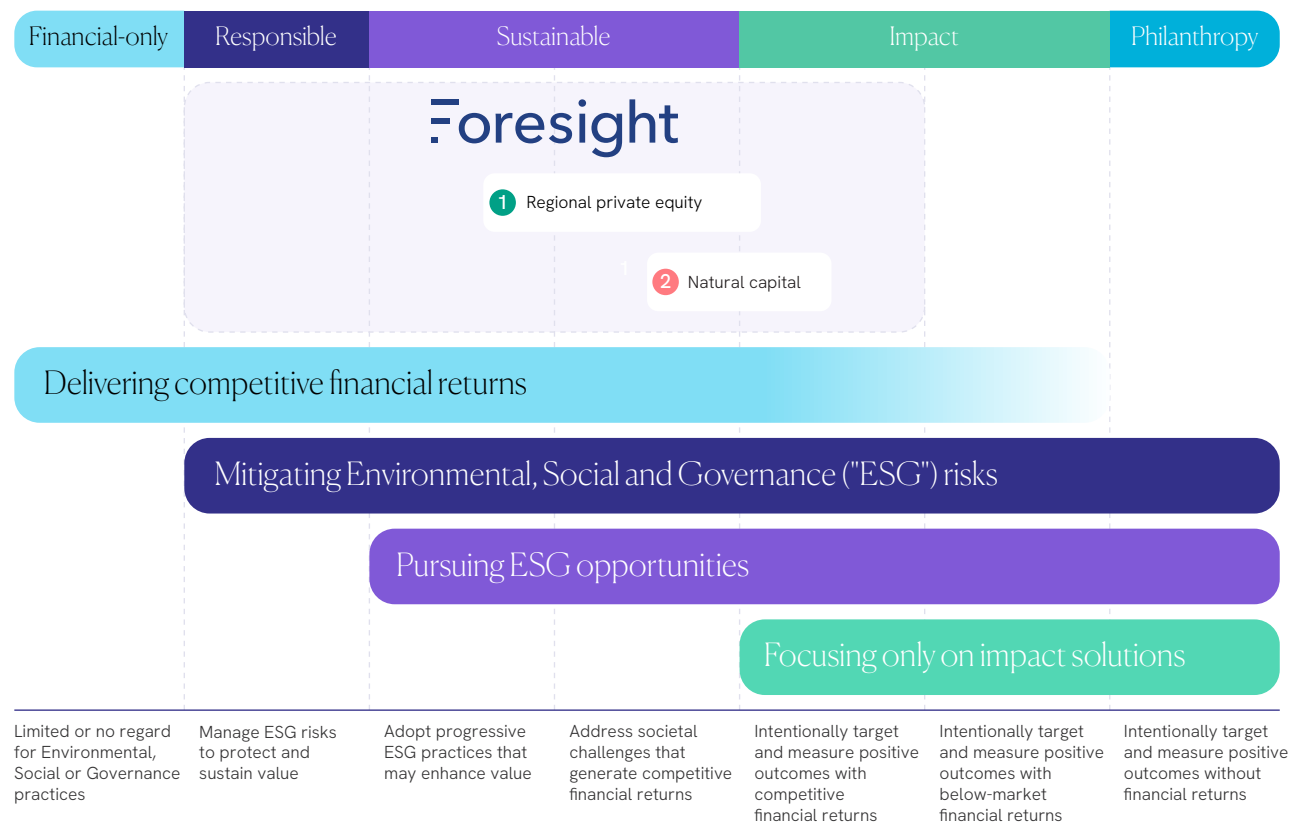
Foresight is a leader in sustainable finance by investing in real assets and businesses that deliver long-term value for investors, communities and the planet.

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.



Sustainability

Sustainable investment

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

All PE and VC investments by region



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

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



● Foresight offices

Outcomes¹

c.5,000

Jobs supported across the Regional Investment fund series²

51%

Proportion of employees in skilled roles across the Regional Investment fund series³

50+

Of UK counties and regions with Foresight-backed businesses⁴

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.

Sustainability

Sustainable investment

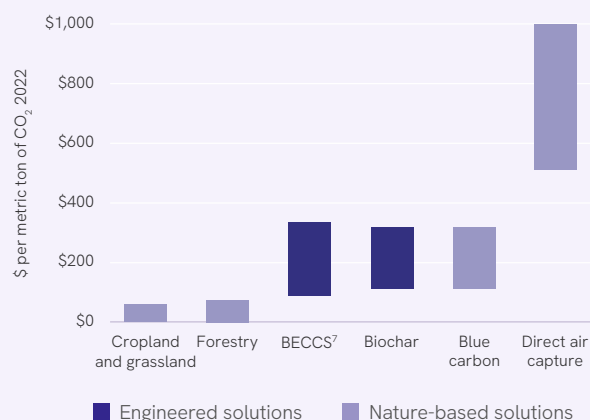
2 Supporting natural capital

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

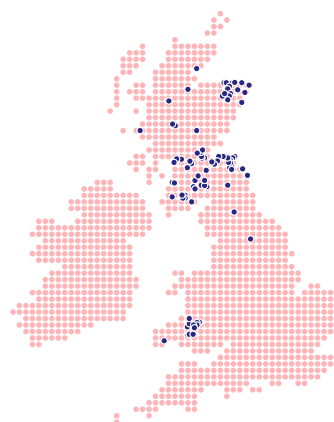
- Global collapse in biodiversity amid impacts of climate change
- Significant cost of CO₂ removals (see chart below)
- Exponential growth of net zero pledges driving growth in carbon credit market and a potential shortage in credits¹
- National timber security alongside increased demand for sustainable timber²
- Tackling physical climate-related risks

Levelised cost of atmospheric CO₂ removal and storage³



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

Outcomes⁴

1.3m

Tonnes of timber supply over the next 40 years⁵

13.0m

Trees in afforestation planting programme^{5, 6}

1.6m

Tonnes of carbon to be sequestered by trees planted in afforestation programme^{5, 6}

26

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

100%

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

1. Source: SBTi Monitoring Report 2023.

2. Source: Department for Environment, Food & Rural Affairs: Timber in construction roadmap 2025.

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.

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.

Sustainability

TCFD Report

TCFD Compliance Statement

TCFD Report: Climate-related financial disclosures

As per UK Listing Rule 6.6.6R(8) our climate-related financial disclosures are consistent with the TCFD recommendations issued in June 2017 on recommended disclosures, except for the “partial compliance” areas outlined in the summary table below. Where we identify gaps in the depth and maturity of our disclosures and implementation efforts, we have provided explanations and outlined the actions we are taking to close these gaps. Our aim is to provide a meaningful insight into how climate-related considerations are being fully embedded across our business.

Thematic area	Recommended disclosure	Implementation enhancements	Location
Governance Disclose the organisation’s governance around climate-related risks and opportunities.	Describe the Board’s oversight of climate-related risks and opportunities	During the year, we strengthened our climate governance processes in line with TCFD expectations. Climate is now a standalone agenda item in Sustainability Board submissions. In FY26, the Sustainability team also presented the Sustainability Strategy and the Climate Alignment Plan to the Non-Executive Directors and the CEO and these were signed off by the Board. We aim to continue enhancing our processes, including exploring opportunities to further formalise climate-related responsibilities within management.	Section: TCFD Report – Sustainability Governance pages 77 and 78
	Describe management’s role in assessing and managing climate-related risks and opportunities		
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	During FY26, Foresight developed its first Climate Alignment Plan. We also continued to integrate insights gained in the prior year into investment decision-making, risk management frameworks and strategic planning. The geospatial risk platform, developed in collaboration with Frontierra, is now being used by the Real Assets Team to support climate-related due diligence and risk analysis. As we further strengthen our processes, planned actions include identifying how climate-related variables influence key financial drivers – such as revenues, operating costs, capital expenditure and asset valuations – and considering how these factors could be incorporated into valuation and forecasting models. We expect to make further progress towards alignment with TCFD recommendations over FY27-FY28.	Section: TCFD Report – Strategy – climate resilience pages 80 to 90
	Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning (partial compliance)		
	Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario (partial compliance)		

Sustainability

TCFD Report

Thematic area	Recommended disclosure	Implementation enhancements	Location
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks	Integration of climate risks into the Enterprise Risk Management ("ERM") framework is ongoing, with continued efforts to align risk registers and processes across funds and business units to support effective Group-level oversight. The focus now is on embedding these practices more consistently across all divisions and throughout the investment lifecycle, making them a practical and routine part of how investment and portfolio managers assess and manage risk.	Section: TCFD Report – Risk Management pages 79 and 80
	Describe the organisation's processes for managing climate-related risks		
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management		
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	In FY26, we developed our first Group-level Climate Alignment Plan, setting out Foresight's objectives for reducing its carbon emissions. Currently, climate-related KPIs are not incorporated into Board or Executive remuneration policies. For areas where alignment is still partial, we expect to make further progress towards full TCFD alignment between FY27 and FY28.	Section: TCFD Report – Metrics and targets pages 91 to 94
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks		
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets (partial compliance)		

Sustainability

TCFD Report

Introduction to TCFD

Post-period end events

Post-period end, Foresight Group announced an agreement to dispose of its public markets FCM division, which has consequently throughout this Annual Report been classified and presented as a discontinued operation.

Reflecting the expected completion of this transaction, the TCFD Report excludes the FCM division from the forward-looking climate resilience analysis. However, it is included in historical carbon emissions data for the reporting period, with additional breakdowns provided where relevant, to present FCM's emissions footprint for FY26.

Climate risks and opportunities

Foresight recognises that climate change presents both risks and opportunities that can materially affect our business. While our own operations face some physical risks – such as potential disruption to offices in London and Sydney from coastal flooding – these are limited compared with the risks within our investment portfolios.

Physical and transition risks can affect portfolio performance and long-term resilience by damaging assets, disrupting operations, increasing costs or challenging existing business models. These factors may influence valuations, operational expenses and future growth, ultimately affecting investor returns. At the same time, the transition to a low-carbon economy creates opportunities for value creation through innovation, efficiency and investment in climate solutions.

Given our strong focus on climate solutions and renewable energy, Foresight is well positioned to capture these opportunities while reducing exposure to transition risks.

Understanding and managing climate risks and opportunities remains essential to protecting long-term portfolio value.

The following sections outline our TCFD-aligned approach across governance, strategy and risk management as well as the metrics and targets that we use to assess climate-related issues.

Sustainability governance

This section sets out the processes and controls put in place to monitor, manage and oversee sustainability matters, including those related to climate.

Board

The Board of Foresight Group Holdings Limited ("FGHL") has ultimate responsibility for sustainability for the Group, including climate-related matters. Alison Hutchinson, the Senior Independent Non-Executive Director, is the Board's sustainability representative and liaises regularly with the Team Head of Sustainability (also referred to as Head of Sustainability).

The Sustainability team keeps the Board informed through regular reporting at scheduled Board meetings. For material matters, a dedicated meeting or training session with the Board is arranged. As an example, in FY26, the Sustainability team presented the Group Sustainability Strategy and the Climate Alignment Plan to the Non-Executive Directors and the CEO in dedicated meetings held in March, ensuring sufficient time for discussion and input. This was followed by their formal sign-off of these documents later that month.

This approach ensures the Board is informed about climate-related risks and opportunities and can integrate these considerations into the wider governance framework and its decision-making.

Audit & Risk Committee

In accordance with the Terms of Reference for the Board's Audit & Risk Committee, the Sustainability team provides reports on matters of policy and risks for consideration at its scheduled meetings. The Audit & Risk Committee reports to the Board on such matters, making recommendations, where appropriate, for the Board's decision and direction.

Executive Committee

The Group's Executive Committee, appointed by the Group Board, is responsible for the day-to-day management of the Group's operations. It is responsible for cascading the Board-approved sustainability and climate strategies down into the Group's operations and ensures alignment with broader business objectives and climate-related commitments.

Nick Scullion, Partner, has overall responsibility for the Group Sustainability function and regularly attends Executive Committee meetings. He is also responsible for New Products and Corporate Development.

Group Management Committee

This Committee was established to support the Executive Committee in delivering Foresight's strategic initiatives and objectives. It meets on a monthly basis and its membership comprises senior leaders from across the business to ensure all areas are represented. Nick Scullion represents sustainability on the Committee and there are further common members between the Management and Sustainability Committees, which helps ensure alignment in the consideration of matters from a sustainability perspective, increasing effectiveness.

Sustainability

TCFD Report

Sustainability Committee

The Executive Committee appointed the Sustainability Committee to undertake the following key responsibilities:

- Recommend and oversee the implementation of Foresight Group's Sustainability Strategy
- Guide and advise Foresight Group's approach to sustainable investing (also known as "responsible investment") and corporate social responsibility (also known as "responsible business")
- Identify, review and manage the outputs of the Sustainability Committee and working groups
- Monitor performance on key material topics. This includes climate-related matters, such as overseeing the development of effective systems to monitor and report on risks and opportunities arising from climate change

The Sustainability Committee is chaired by the Chief Investment Officer and meets at least three times a year. The Committee reports directly to the Executive Committee via its Chair and Vice Chair and operates both independently and through working groups appointed to undertake certain initiatives. The members, all from the Senior Management team, represent key areas of the business including the investment divisions, Marketing, Governance, Risk, Sustainability, and People and Culture.

Working groups

The Sustainability Committee appointed three permanent working groups (Environmental, Social and Sustainability Reporting and Regulations). Each working group consists of representatives from various business areas within Foresight relevant to the purpose of the working groups. To ensure effective oversight, performance monitoring and regular reporting to the Sustainability Committee, each working group is chaired by the Team Head of Sustainability.

Sustainability team

The Sustainability team is responsible for co-ordinating the strategic and operational sustainability work within Foresight Group and comprises a number of sustainability professionals, including the Team Head of Sustainability, who manages the day-to-day sustainability operations. The team has close contact with the Group's Governance, Risk and Compliance teams, and provides support to the Group's sales and fundraising activities. As noted above, the team provides the Board with written reports and, at times, arranges Board training and dedicated sustainability meetings.

Investment teams

The Group's investment divisions are increasingly incorporating sustainability-focused considerations, including climate-related risks, into investment analysis. They work in collaboration with the Sustainability team, which leads the day-to-day management of climate issues and the enhancement of tools and processes, strengthening capability and portfolio resilience as climate data calculation and assessment methodologies continue to mature.

In FY26 we developed a Climate Alignment Plan, with active engagement from the Board. As implementation progresses, governance arrangements will continue to evolve to strengthen accountability and enhance cross-functional co-ordination. This includes a growing role for portfolio managers as climate-related responsibilities become further embedded in day-to-day decision-making.

Policies

Foresight Group's sustainability governance framework is underpinned by six key policies alongside a number of associated policies, which together set out our baseline approach to the respective subjects. During FY26, we refreshed our Responsible Investment Policy to reflect the continued evolution of the business and the external environment.

The six key policies are publicly available on our website:

- **Group Code of Conduct**
- **Sustainability Policy**
- **Responsible Investment Policy**
- **Sustainable Sourcing Policy**
- **Environmental Policy**
- **Human Rights Policy**

Any policy breaches are investigated promptly and addressed through appropriate disciplinary and remedial actions, including strengthening controls to prevent recurrence. Additionally, we developed the Sustainability Accountability Framework, which provides structure and clarity around how sustainability-related decisions, particularly those resulting in process changes and disclosures, are assessed, approved and monitored across the business. It also reinforces Foresight's existing sustainability governance processes.

Sustainability TCFD Report

Risk management

Double materiality analysis refresh and outputs¹

To identify sustainability-related, including climate-related, risks and opportunities, the Group applies a Double Materiality Assessment (“DMA”) process. Whilst frameworks such as TCFD and ISSB focus primarily on financial materiality, we believe it is beneficial to also assess impact materiality. This comprehensive approach helps ensure that our business is well positioned, resilient, and aligned with Stakeholder expectations.

Foresight conducted its first DMA in FY24. In line with industry best practice, the Group refreshed the assessment in FY26 to ensure it remains current and aligned with Foresight’s evolving context.

The refresh was delivered internally by the Group Sustainability team. As part of the process, key Stakeholders were interviewed to capture insights on business developments and emerging macro trends. Divisional leads were then asked to rank sustainability topics based on their materiality to their respective divisions. This process included assessing our own activities and considering our immediate value chains.

Materiality definitions were refined to strengthen clarity and focus. Impact materiality was narrowed to topics with high significance, while financial materiality remained unchanged.

Group Sustainability aggregated the divisional inputs, including those from the corporate functions, to determine Group-level priorities.

The refresh resulted in a reduction of material topics from 27 to ten. This streamlined set of topics will enable greater focus on issues of the highest significance. The outputs will guide the Group in prioritising actions and allocating resources to address key sustainability risks and opportunities and will serve as a foundation for strategic planning and decision-making.

1. The assessment was conducted prior to the announcement of the proposed sales of the FCM division and therefore incorporates outputs from areas now classed as discontinued operations.

Rank	Movement	Area	Material topic	Risk/ Opportunity	Impact	Relevance	Areas impacted
1	—	E	Climate change adaptation	R O	P N	S M L	See more under TCFD
2	+1	S	Our people	R O	P N	S M L	Group
3	+2	S	Human and labour rights in the value chain	R	N	S M L	Supply chains of Group and all divisions. (Own operations covered separately)
4	-2	E	Energy and decarbonisation	R O	P N	S M L	See more under TCFD
5	+10	G	Anti-corruption and bribery	R	N	S M L	Own operations of all divisions and Group and their supply chains ²
6	—	E	Biodiversity and ecosystems	R O	P N	S M L	Real Assets
7	+1	S	Responsible marketing	R	N	S M L	Group and all divisions
8	New	G	Cybersecurity and data governance	R O	P N	S M L	Group and all divisions
9	New	S	AI ethics	R O	P N	S M L	Group and all divisions
10	New	S	Economic and social impact on local communities	R O	P N	S M L	Real Assets and Private Equity

2. The primary focus is on direct operations and supply chains (e.g. investments and direct business relationships), unless there are reasonable grounds to suspect adverse impacts further downstream.

Key: E Environmental S Social G Governance

R Risk O Opportunity

P Positive N Negative

S Short (0-5 years) M Medium (5-10 years) L Long (10+ years)

Sustainability

TCFD Report

Risk management integration

Sustainability-related risks newly identified through the refreshed DMA process have been recorded in the Enterprise Risk Management (“ERM”) system. Work is ongoing to further integrate these risks into the appropriate monitoring processes.

Additionally, in FY26 we continued integrating climate risks into our ERM framework, building on the work initiated in FY25. Investment teams, supported by Sustainability, apply scenario analysis and materiality assessments to evaluate physical and transition risks, although capabilities and tools continue to mature. The climate risk matrix introduced in FY25 is now more widely used to assess likelihood and impact at the asset or portfolio level. While these assessments involve uncertainty due to evolving policy, technology and climate conditions, the matrix helps distinguish between routine, lower impact risks and less frequent but potentially severe events. This has improved understanding of how climate risks could affect operations, revenues or reputation.

Climate risks are now incorporated into divisional risk registers with assigned ownership, mitigation plans and regular reporting to Senior Management and the Board. The Risk team meets periodically with risk owners and escalates material changes to the Audit & Risk Committee and, where appropriate, to the Board. Risks assessed as being outside the Group’s risk appetite are subject to specific action plans.

Enhanced risk indicator functionality in the Group’s risk system supports better monitoring of potentially material risks, including climate-related exposures.

This enhanced risk management framework strengthens the Group’s ability to respond to climate-related challenges and improves Foresight’s resilience.

As climate risks continue to evolve, the framework will be regularly reviewed and refined to support continuous improvement and to strengthen resilience.

Strategy – climate resilience

Introduction

Foresight’s climate strategy reflects the diverse nature of its investment activities. While all divisions share a common commitment to understand and manage climate-related risks and opportunities, each division applies climate risk strategies and scenario analysis methodologies that are tailored to its asset classes. This differentiated approach ensures that the outputs are decision-useful and aligned with the specific characteristics of each asset class.

Real assets typically have long investment horizons and fixed locations, resulting in greater exposure to physical climate risks. As a result, location-specific and longer-term physical risk assessments are particularly relevant for these assets. By contrast, due to data limitations¹, varying equity stakes and differing levels of influence, private equity investments, particularly in small and medium-sized enterprises, often require more qualitative or tailored approaches.

The following tables present the key physical and transition risks and opportunities identified. These manifest in different ways and over different time horizons and sectors. The tables have been completed based on the results of risk assessments and scenario analyses. Methodologies and detailed findings are explored in detail in the following pages.

1. These include limited data on geolocations for all Company sites and limited public disclosure from investee companies on climate risks and opportunities.



Sustainability

TCFD Report

Overview of Group's exposure to risks and opportunities

Physical risks

Division	Main hazard/risk	Vulnerable geographies and sectors	Methodology and risk range	How the risk could manifest	Time horizon	Mitigation and resilience
Real Assets	Water stress and temperature extremes	Risks concentrated in a subset of assets in the regenerative agriculture sector, gas-fired and hydropower assets in Australia and the UK. Assets identified as having medium or high risk exposure represent about 2.2% of the portfolio's overall EV.	S&P Climanomics, Relative Annual Average Loss ("RAAL") Assets identified as having medium or high risk exposure represent about 2.2% of the portfolio's overall EV.	- Limited water availability for energy or cooling can have material operational, efficiency and reliability impact on hydropower and natural gas plants, primarily in Australian assets. - Agriculture assets are more sensitive to changes in water availability and heat extremes, which can reduce crop yields, strain irrigation systems and increase maintenance and insurance costs.	M L	- Despite moderate to high exposure for a subset of assets, the portfolio shows a low aggregated RAAL in the central scenario, with EV-weighted financial losses equivalent to 0.9% per year between 2050 and 2059. - Geographic and technology diversification across the division, including within the Australian portfolio, helps mitigate exposure to localised physical climate risks.
Private Equity	Flooding (fluvial, pluvial and coastal) and droughts	UK and Ireland.	In-house qualitative assessment.	- More frequent and intense storm events can impact SMEs in low-lying or urban areas, leading to damage to premises, stock or equipment, loss of access for staff and customers, and increased insurance costs. - Summer droughts can cause water shortages and reduce agricultural yields, whilst also affecting power generation and cooling processes.	S M	Most of our VC and PE investments are in SMEs, where most value lies in intellectual property, human capital, relationships with customers and suppliers, resulting in limited direct exposure to physical climate risks.

Key:

S

 Short (0-5 years)

M

 Medium (5-10 years)

L

 Long (10+ years)

Sustainability TCFD Report

Transition risks and opportunities | Group and divisions

Risk/opportunity type	How the risk/opportunity could manifest	Time horizon	Mitigation and resilience
Regulation	Opportunities: A supportive policy environment for renewables and climate solutions helps to de-risk investment, lower financing costs and expand market opportunities. Risks: Higher-carbon parts of the portfolio face increased regulatory risk from tightening climate policies. Simultaneously, inconsistent climate and energy policies (including subsidy cuts, delays in grid reforms or shifts in direction following changes in government) can disrupt revenue models and investment planning for renewables.	S M	- Low exposure to carbon-intensive assets as a percentage of AUM reduces exposure to regulatory risks and stricter climate policies (e.g. carbon taxes, emissions limits, clean energy mandates). - EU frameworks (Green Deal, REPowerEU, Renewable Energy Directive) continue to drive deployment through binding targets, incentives and investment support. Increased scale is improving cost competitiveness over time¹.
Litigation/reputation	Opportunities: Proactive alignment with emerging climate and nature regulations can build trust, reduce risk and improve access to capital if disclosures are accurate, transparent and aligned with best practices. Risks: New regulatory frameworks and stringent reporting requirements raise expectations for transparency and increase compliance costs, as well as reputational or litigation risks if disclosures are perceived as insufficient or inaccurate.	S M	The Sustainability team continues to build on its established capability to strengthen internal processes, review evolving standards and frameworks, monitor regulatory developments and enhance data quality.
Market (e.g. carbon pricing and fluctuating energy prices)	Opportunities: Carbon pricing and high energy prices can boost the competitiveness and profitability of renewables, increasing demand for stable and flexible renewable energy assets. Fossil fuel price volatility combined with energy security concerns increase demand for renewables. Risks: Low energy prices directly reduce revenues for renewable assets operating under a merchant model or selling into wholesale markets. Volatile prices make investment planning and forecasting more difficult, increasing perceived risk for investors overall. The more carbon-intensive parts of the portfolio may see rising operational costs and shrinking margins as carbon pricing increases.	S M	- Proactive use of power price forecasting alongside a diversified approach to energy offtake and procurement (power purchase agreements, merchant, subsidy support, etc.) across the Real Assets portfolio limits exposure to market fluctuations. - A renewable-focused Real Assets portfolio is well positioned to benefit from increased demand driven by the need for energy security and AI. - Low exposure to carbon-intensive assets as a percentage of AUM reduces exposure to carbon pricing risk.
Technology	Opportunities: Climate transition accelerates innovation in energy storage, grid integration and digital optimisation. Risk: The development and rapid deployment of more efficient technologies at scale may reduce the competitiveness of older assets, potentially diminishing their value, shortening their operational life or increasing the risk of stranded assets.	S M L	- A renewable energy-focused Real Assets portfolio is well positioned to benefit from technology-driven opportunities. - Our private equity funds are equipped to invest across a broad range of opportunities, including early-stage technology companies.

1. Source: IRENA: Regional energy transition outlook: European Union, <https://www.irena.org/Publications/2025/Jun/Regional-energy-transition-outlook-European-Union>.

Sustainability

TCFD Report

Real Assets

ESG due diligence pre and post investment

In FY26, the Real Assets division strengthened its approach to climate risk and sustainability by aligning more closely with the emerging set of widely accepted investor, regulatory and sustainability frameworks. Meanwhile, the division's proprietary Sustainability Evaluation Tool ("SET"), which historically supported the evaluation of ESG and climate-related factors as part of pre-investment due diligence, has been re-designed to act primarily as a tool for ongoing monitoring of these considerations within portfolio management.

Where appropriate, alignment with these frameworks may require the engagement of third-party service providers. As an example, as of FY26, climate-related due diligence and monitoring was conducted using a third party that applies advanced climate models and datasets to assess both acute and chronic physical risks in alignment with the EU Taxonomy's Climate Risk and Vulnerability Assessment ("CRVA").

These assessments are intended to form the basis for long-term climate risk monitoring and the results will be integrated into the asset and fund-level risk registers. These are owned by asset management teams, who also work closely with site operators and counterparties to monitor climate-related impacts on asset performance and develop mitigation plans.

In addition, to strengthen internal capabilities, the division has developed a new geospatial risk platform in collaboration with **Frontierra**.

The platform is designed to generate location-based insights into climate and nature-related risks and is now in use by the Real Assets Team for due diligence and risk analysis. Following additional grant funding being received from the UK Space Agency ("UKSA"), further enhancements of the platform have been made to enable assessment of climate and nature-related value at risk. Final testing of this phase is ongoing, with the functionality expected to go live later in 2026.

Real Assets climate risk framework

Since 2022, Foresight has undertaken scenario modelling of its Real Assets portfolio. In FY26, the Real Assets division once again used the Climanomics platform, which relies on the Shared Socioeconomic Pathways ("SSPs") generated by the Intergovernmental Panel on Climate Change ("IPCC") as the basis for its analysis¹. We have followed the same assessment methodology as last year.

Core results are presented in terms of relative risk: the proportion of an asset's value that is estimated to be at risk from physical or transition risks. For instance, a relative risk of 5% by 2050 means that, on average, the expected financial loss from climate risk is equivalent to 5% of the asset's value across the decade (e.g. 2050-2059).

In our assessment, SSP2-4.5 is chosen as the central scenario as it reflects the most probable pathway based on current policies, commitments and climate trajectories.

Results are presented with a particular focus on the 2050-2059 period, reflecting both global net zero commitments by mid-century and the expected lifespan of many of our assets².

Scenario	Description
SSP1-2.6 (Low climate change scenario)	Aggressive mitigation in which total GHG emissions reduce to net zero by 2050, resulting in a global average temperature increase of 1.3-2.4°C by 2100. This is consistent with the goals of the Paris Agreement.
SSP2-4.5 (Medium climate change scenario)	Aggressive mitigation in which total GHG emissions stabilise at current levels until 2050 and then decline to 2100, resulting in a global average temperature increase of 2.1-3.5°C by 2100.
SSP3-7.0 (Medium-high climate change scenario)	Limited mitigation scenario in which total GHG emissions double by 2100, resulting in a global average temperature increase of 2.8-4.6°C (this averages to 3.6°C).
SSP5-8.5 (High climate change scenario)³	Low mitigation scenario in which total GHG emissions triple by 2070 and global average temperatures increase by 3.3-5.7°C ("worst-case" scenario).

1. Climanomics **methodology**.

2. The Climanomics assessment covered 557 assets, including those in development, pre-construction, construction, commissioning and operational stages. Including assets at all stages is essential for a comprehensive climate risk assessment, which explains the higher asset count compared to earlier figures in this report, which generally capture operational-stage assets.

3. This scenario has formally been withdrawn by the IPCC, and from FY27 onwards, we will no longer report against this.

Sustainability

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Climate resilience

Physical risks

All assets were assessed for nine physical climate hazards, with individual hazard risks combined into a single % at risk per asset. These were then weighted by each asset's share of total enterprise value ("EV") to calculate a portfolio-level average, ensuring larger assets have a proportionally greater impact.

The following thresholds for the combined percentage of risk were applied:

- 0-5% - Minimal
- 5-10% - Moderate
- >10% - High

The chart below shows the resulting total physical risk (EV weighted) across seven decadal time horizons. In this aggregated view, physical risk remains low across all scenarios.

Real Assets portfolio - aggregated relative physical risk (in %)



Under the central SSP2-4.5 pathway, risk increases moderately to 0.9% by 2050. This is slightly lower than prior year's projection due to more accurate methodology being used in the current year. This means that, on average, the expected yearly financial loss from climate risk is equivalent to 0.9% of the whole portfolio value between 2050-2059. The high-emissions SSP5-8.5 scenario shows a steeper rise, though total portfolio risk still remains below 1.2% by 2050.

While the aggregated view offers a useful high-level perspective on overall portfolio exposure, it can obscure significant variations in risk at the asset level. Certain assets or sub-sectors may be disproportionately exposed to specific physical hazards, even when total portfolio risk appears modest.

As in the prior year, water stress and temperature extremes were identified as the most significant physical risks. Although overall exposure remains low, the presence of outliers, with risk exceeding 5% in the case of temperature extremes or 10% in the case of water stress, indicates that some assets face significant exposure and targeted mitigation might be needed for higher-risk assets.

Consistent with the prior year's assessment, impacts from water stress and temperature extremes are concentrated in a subset of assets in the regenerative agriculture sector, gas-fired and hydropower assets in Australia and the UK. Assets identified as having medium or high risk exposure represent about 2.2% of the portfolio's overall EV. These risks are partially mitigated by our diversified portfolio across a range of sectors and asset types.

Conversely, temperature extremes show a limited but concentrated positive impact on certain asset types, particularly solar battery storage and anaerobic digestion facilities in the UK and Europe. This is largely due to the improved efficiency of microbial processes in anaerobic systems at higher temperatures, and the potential for increased solar generation in regions with moderate warming – though these gains remain modest, never exceeding 0.9% per asset by 2050 in the central scenario.

Although water stress and temperature extremes stand out as key risks that require ongoing attention, the overall portfolio demonstrates strong resilience to most climate hazards.

Notably, our solar and wind assets – which account for 54% of all Real Assets investments and approximately 44% of the division's EV – perform well under the central scenario (SSP2-4.5), with no individual asset facing more than 2.3% annual risk on average from any single hazard.

For the portfolio as a whole, our sectoral and geographic diversification enhances resilience by limiting exposure to any single physical climate risk, lowering the chance that one event or hazard will have a disproportionate financial impact on the overall portfolio.

CASE STUDY

Adapting to climate risk across our portfolio

Across our Real Assets portfolio, we are proactively adapting how we manage our assets in response to a changing climate. Our approach focuses on mitigating the operational impacts of physical climate risks, including water stress and temperature extremes, which we have identified as our two most significant physical risks.

Water stress

Our regenerative agriculture assets prioritise farming techniques that restore soil health, improve water retention and enhance resilience to climate variability. Foresight's investment into the Regenerate Outcomes programme ensures the provision of training for farmers which delivers mentoring, benchmarking and guidance on implementing best-practice regenerative techniques, and ultimately the generation of carbon credits.

Farmland managed under this programme has demonstrated improved resilience to both prolonged dry periods and excessive rainfall. This reflects the benefits of healthier soil structures, which support water retention during drought conditions and improve drainage during periods of heavy rainfall. Our participation in this programme supports more resilient agricultural yields and underpins the long-term sustainability of these assets.

Heat extremes

Across our assets, we are increasingly observing the operational impacts of extreme heat. Even in temperate climates, elevated temperatures can reduce the efficiency of equipment, with solar panel performance in particular declining at higher temperatures, directly affecting energy yields.

To address this, we are implementing targeted adaptation measures across geographies. For example, at several UK sites, we have installed cooling solutions, including fans, to mitigate the impact of heat on inverters and transformers at solar parks. Alongside these interventions, we are strengthening resilience to extreme heat and its associated risks across the portfolio, including practical measures such as vegetation management and the creation of seasonal firebreaks to mitigate heightened risks like wildfire.

Flooding

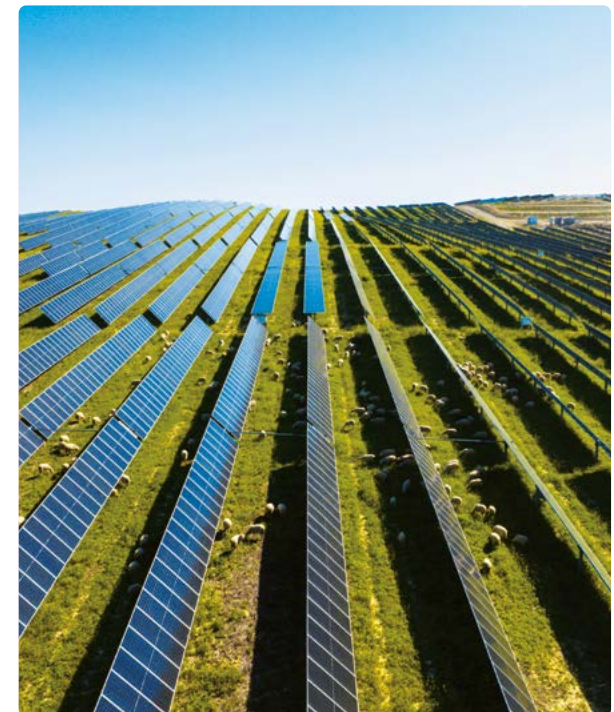
At Hayford Solar Farm in Shropshire, we have implemented targeted flood mitigation measures following the identification of site-specific drainage risks. A drainage swale has been constructed to collect and divert surface water runoff, improving on-site water management and reducing flood risk both at the asset and in the surrounding area. This helps to minimise the risk of operational disruption and downtime following periods of heavy rainfall.

More broadly, flood risk management is embedded across the portfolio. This includes integrating flood considerations into site design and ongoing asset management practices.

Utilising the Frontierra platform to mitigate risk

Across our Real Assets portfolio, the outputs of the Frontierra geospatial platform are integrated into asset-level risk registers, supporting a data-driven approach to climate risk management.

At Arco 8 in Spain, for example, Frontierra has been used to identify changes in environmental conditions which can affect energy generation, such as changing precipitation patterns. Moving forward, we intend to increase our use of Frontierra to support more proactive and informed decision-making, helping to enhance asset resilience, protect energy yields and drive operational improvements across the portfolio. The platform enables analysis at both fund and asset level, helping to identify key risks at the fund level and prioritise assets with the highest exposure.



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Transition risks

Assessment of transition risks is limited by the inevitable simplification of sector-specific assumptions, evolving modelling approaches and the inherent challenges of accurately quantifying the net present impact of carbon pricing while accounting for regional differences.

Exposure to the modelled transitions risks (including carbon pricing, litigation, market shifts, reputational damage and technological disruption) remains low across all scenarios at below 2.6% and below 1.0% under the central scenario by 2050.

Certain assets, including specific gas-fired power plants, anaerobic digestive plants, waste-to-energy plants and wastewater treatment plants, have medium to high exposure to carbon pricing under the central scenario by 2050. These assets represent about 2.9% of the division's EV. This assessment is subject to considerable uncertainty due to the compounding effect of long-term discounting and inflation assumptions.

Exposure to other transition risks (litigation, market shifts, reputational damage and technological disruption) is minimal, consistently below 0.3% across all assets and all scenarios.

As noted above, our overall transition risk remains relatively low, given that our portfolio is primarily composed of renewable energy assets. Renewables are less exposed to carbon pricing and market shifts associated with decarbonisation pathways, providing us with a more resilient position as the energy transition progresses.

Opportunities

While the TCFD framework is primarily focused on climate-related risks, our portfolio is well positioned within the opportunity segment of the energy transition. As an infrastructure investor focused on renewable energy assets, particularly wind and solar, we see climate change mostly as a catalyst for long-term value creation.

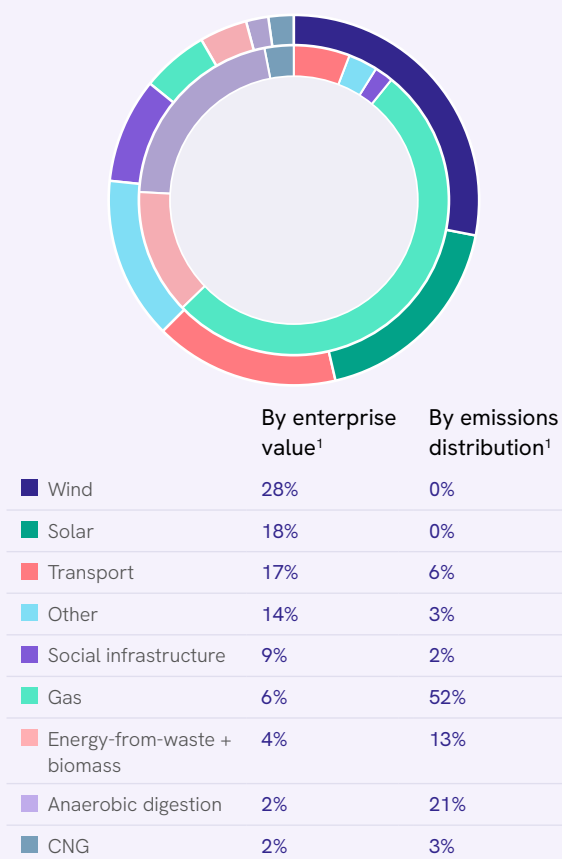
With 7.6TWh of renewable electricity generated and 4.6GW of installed renewable energy capacity in FY26¹, the portfolio is well positioned to benefit from increasing demand for clean energy. This renewable energy generation from the global portfolio in FY26 provided enough energy to power the equivalent of 2.8 million² homes annually.

Overall, our portfolio results in the avoidance of approximately 2.5 million tonnes of CO₂e emissions per year compared to the grid³, making a significant contribution to climate mitigation goals.

Beyond wind and solar, our investments in anaerobic digestion facilities, forestry and regenerative agriculture expand our climate-positive impact. Anaerobic digestion not only reduces landfill use and methane emissions but also creates reliable baseload power, complementing intermittent renewables. Our natural capital investments, although still a small part of our portfolio, present a compelling nature-based solution to climate change by sequestering carbon in soil and trees while enhancing long-term soil productivity and biodiversity.

1. This figure (above generation) includes wind and solar, solar batteries, hydropower, geothermal, biomass and anaerobic digestion facilities (operational assets only) and covers the period April 2025-March 2026.
2. Calculated with Foresight's SDG calculator for objective 7.2 Affordable & Clean Energy, which divides renewable energy generated by the country-specific average household electricity consumption per year.
3. This figure includes wind and solar, solar batteries, hydropower, anaerobic digestion, biomass and energy-from-waste facilities (operational assets only) and covers the period April 2025-March 2026.

Real Assets enterprise value allocation and emissions distribution by technology



1. Encompassing 454 operational assets with a total enterprise value of £7.52 billion. Gas generation includes power plants, gas peaking plants and gas pipeline. Wind includes onshore and offshore, and solar includes farms and rooftops. Non-energy waste includes wastewater treatment and waste management. Transport includes airport, electric buses, ferry, port and roads. Social infrastructure includes hospitals, schools, social housing and student accommodation. Anaerobic digestion ("AD"), CNG includes refuelling stations only. Other includes forestry, hydropower, agriculture, street lighting, storage (battery), glasshouse and aquaculture. Emissions chart excludes the assets' Scope 3 emissions which are currently estimated.

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Climate Alignment Plan

Context

As an investor with significant exposure to the systems and technologies enabling a low-carbon future, we recognise the important role businesses play in supporting the green transition.

This is a key issue for our clients, many of whom are drawn to the strong sustainability credentials of our product offerings while also pursuing their own climate commitments. Through our ongoing engagement with clients, we recognise the value of clear, credible commitments in providing a framework for managing climate impact.

Against this backdrop, we have undertaken a comprehensive assessment of our carbon footprint, encompassing the environmental impact of our diverse asset base. This process has involved extensive engagement across the business and with key Stakeholders, supported by a detailed review of relevant frameworks and emerging industry best practice.

The outcome of this work is our first Climate Alignment Plan.

Key features of the Plan

A significant proportion of Foresight's emissions arise from financed emissions, with our Real Assets division the most significant contributor. Accordingly, the Plan focuses on the Real Assets division, covering 96% of Foresight's total Scope 1-3 emissions. We consider this focus appropriate, enabling us to prioritise action where we can have the greatest impact.

The Plan also considers the composition of our portfolio, including our exposure to assets aligned with a low-carbon and net zero future. In particular, it highlights our significant existing exposure to climate solutions technologies, with 55% of the division's assets falling into this category. The widespread adoption of these technologies will be critical to enabling the global economy to transition to a net zero pathway and to achieve the Paris Agreement goal of limiting global warming to 1.5°C above pre-industrial levels.

Our approach is informed by the Science Based Targets initiative ("SBTi") Financial Institutions Net Zero ("FINZ") recommendations. While this provides a useful framework, we are not currently seeking formal SBTi validation. This reflects the need for certain adaptations to account for the characteristics of our portfolio, as well as to accommodate existing client mandates.

Objectives

Under our Plan, we have established a set of objectives which provide a broad assessment of the carbon impact of our portfolio. These include metrics focused on portfolio alignment with net zero, exposure to the low-carbon transition and a sector-specific emissions intensity measure. These objectives sit alongside our existing commitment to measure and monitor emissions across our portfolio, as set out on pages 91 to 94 of our TCFD report.

These objectives have been calculated using total enterprise value (equity plus debt), with all objectives using FY25 as the baseline year.

Reporting

Updates against each of the objectives will be provided in our annual reporting from FY27 onwards.



Sustainability

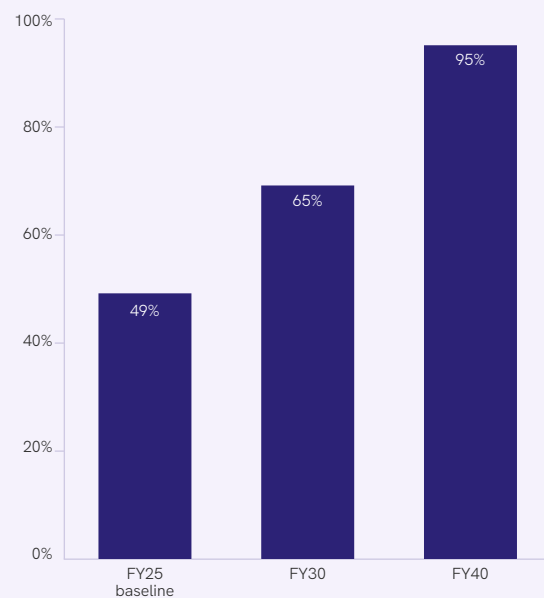
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Objective 1

Objective 1 is our climate alignment objective, which measures the proportion of assets which are already classified as being in a Net Zero State. Our objective is to increase this proportion to 95% by FY40. This aligns well with global decarbonisation pathways and underlines our commitment to manage our portfolio in line with a net zero trajectory.

1. Climate alignment:

Proportion of assets that have reached a Net Zero State

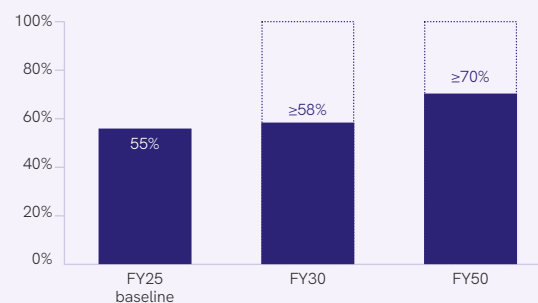


Objectives 2 and 3

Objectives 2 and 3 are our exposure metrics. They measure the extent to which our portfolio is exposed to assets which are climate solutions that support the transition to a low-carbon economy. We consider these metrics particularly relevant to Foresight given our product offering and strategy.

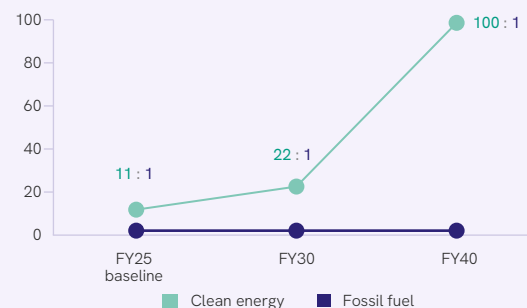
2. Exposure to climate solutions:

Proportion of assets invested in climate solutions



3. Clean energy to fossil fuel ratios:

Ratio of investments in clean energy to fossil fuels

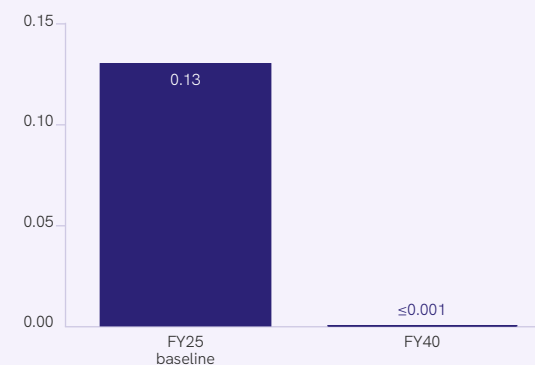


Objective 4

Objective 4 is our sector-specific objective. This focuses on the carbon intensity of our portfolio or the amount of greenhouse gases emitted per unit of electricity generated. Power generation accounts for 86% of emissions across the Real Assets division and it is therefore appropriate that this should be a focus area for our plan.

4. Power generation emission intensity:

Weighted average emissions intensity of power generation (tCO₂/MWh)¹



1. FY30 interim objective to be published in FY27 following analysis of restated FY25 carbon emissions data.

Sustainability

TCFD Report

Private Equity

ESG due diligence pre and post investment

Foresight's Private Equity division is committed to ongoing ESG improvement and incorporating these considerations throughout the investment lifecycle, especially for Growth investments. The process is regularly reviewed and updated to incorporate evolving best practices.

During FY26, a tailored version of the ESG questionnaire was rolled out across the Ventures portfolio, resulting in over 140 portfolio companies now utilising the Foresight Sustainability Platform. The Platform continues to be enhanced, including the expansion of the resources library which now comprises a comprehensive suite of template policies and numerous internally generated development videos.

Investment Managers are responsible for conducting ESG due diligence on each potential new investment, as part of the overall due diligence process, tailoring it where necessary to the scale and nature of each investee company's operations, the type of investment and maturity of the investee company.

Important to our ESG due diligence on most of our investments is the Foresight ESG questionnaire, which is updated annually to ensure it meets evolving regulatory and investor requirements. The questionnaire is completed via the online Foresight Sustainability Platform, which feeds into the ESG risk assessment matrix used in Investment Committee submissions. These submissions include an evaluation across five ESG principles (Awareness, Environmental, Social, Governance and Third-Party Interactions) and a defined action plan. Progress on these actions is monitored through the 100-day plan process and quarterly portfolio reviews. In FY26, an enhanced due diligence process has been introduced to improve the evaluation of security and resilience-related investments.

Annually, all Growth Private Equity portfolio companies are also asked to complete the ESG questionnaire on the online Foresight Sustainability Platform. The interactive dashboard allows portfolio companies to easily visualise progress, identify areas for further improvement and support data insights for timely Stakeholder reporting. In addition, a carbon questionnaire is completed which enables comprehensive tracking of Scope 1, 2 and 3 emissions, calculated using GHG Protocol-aligned methodologies. The platform identifies any major emitters and emission hotspots, providing companies with the tools and insight to better understand and manage their emissions, facilitating targeted engagement as this process evolves.

Foresight actively engages with portfolio companies, holding non-executive directorships on most company boards within the Growth Private Equity portfolio, and usually taking observer roles on the remaining investee companies. Investment Managers drive engagement to promote sustainable practices, with progress reviewed quarterly to ensure risks are mitigated and value creation opportunities realised.

Private Equity climate risk framework

As in FY25, the Private Equity division performed an in-house qualitative climate risk assessment for companies above a defined investment threshold, following the same process as last year.

Climate resilience

Key findings from the qualitative risk assessment are outlined below.

Physical risks

- The portfolio is concentrated in the UK and Ireland, with flooding and drought identified as the most significant physical climate hazards. Currently, the climate-related hazards assessed were determined to be not financially material for the companies reviewed. We acknowledge that these risks can intensify over the medium to long term, underscoring the need for ongoing monitoring.
- Mitigating factors are in place in many cases, including the possibility to relocate with minimal interruptions to operations.
- Although the portfolio is primarily composed of SMEs based in the UK and Ireland, some companies operate international sites or rely on key international suppliers. Since physical climate risks are location-dependent, our current focus on domestic sites due to availability of open-source, science-based tools means that risks associated with overseas operations or supply chains are not yet captured, potentially leading to an underestimation of overall climate risk exposure.
- The nature of venture capital and private equity investments means that investments are typically made at the early stages of their growth cycle, where most of the value is in the Intellectual Property Rights and the entrepreneurs, innovators and support staff themselves. For this reason, physical climate risks – such as damage to physical assets – are generally less relevant, as these companies often have limited fixed infrastructure and derive their value primarily from human capital and innovation potential.

Sustainability

TCFD Report

Transition risks and opportunities

Sectoral diversification within Foresight's Private Equity portfolio helps lower exposure to climate transition risk by spreading investments across industries with varying sensitivities to policy, technology and market changes associated with the low-carbon transition. To explore opportunities, several portfolio companies, especially ventures companies, are developing technology to assist with the low-carbon transition.

Companies in the industrials sector, including manufacturing, may be more energy-intensive and therefore more exposed to transition risks. More stringent regulation to meet emissions reduction targets and carbon pricing mechanisms could increase operating costs and impact net profits if their energy sources or production methods are carbon-intensive. Increased power prices due to short-term shocks could also increase operating costs for these companies. Our enhanced Foresight Sustainability Platform, with detailed carbon emissions tracking, assists with identifying and assessing transition risks in energy-intensive companies, building on our existing efforts to mitigate these risks through ongoing engagement to help companies lower their emissions. Additionally, the Platform also identifies opportunities for improvement and helps track this over time.

Foresight works closely with its portfolio companies to unlock value through operational improvements and strategic guidance, fostering long-term growth and resilience.

The findings from our comprehensive risk assessment play a crucial role in informing our engagement with portfolio companies, enabling us to address potential vulnerabilities, guide climate resilience strategies and identify new opportunities for value creation aligned with the transition to a low-carbon economy.

Group

General limitations of scenario analysis assessment

Climate scenario analysis is a valuable tool, but it has inherent limitations. It typically relies on linear assumptions that may not reflect sudden policy, market or technological shifts, and its long time horizons often diverge from typical investment cycles. Models tend to focus mainly on direct impacts, with more limited consideration of supply chain effects, climate tipping points or tail risk events. In addition, sectoral and regional exposures are often simplified, which may mask important differences. These constraints mean scenario results should be interpreted with care and updated as climate science, modelling capabilities and market conditions evolve.

Financial position, financial performance and cash flow

Given the nature of the Group portfolio, we expect Foresight's financial position to benefit from the transition to a low-carbon economy, with increasing demand for renewable energy supporting capital raising and growth. The Group does not intend to enter carbon-intensive sectors. However, we recognise that policy or legislative shifts away from climate-aligned pathways could adversely affect the profitability of our renewable energy assets in key markets and influence our fundraising efforts.

Given that different asset classes use different methodologies to assess climate risks and opportunities, Group-wide aggregation of risks and quantification of climate-related financial impacts is currently not feasible.

As assessment approaches, data availability and tools continue to evolve, the Group aims to improve the consistency and integration of climate-related considerations into valuations, cash flows and financial planning, supporting our commitment to financial resilience through the transition.

Sustainability

TCFD Report

Metrics and targets

Targets

In FY26, Foresight has developed its first Climate Alignment Plan to strengthen how we manage climate-related risks and opportunities across the business. For more detail, please see pages 87-88.

Under our Plan, we have established a set of objectives which provide a broad assessment of the carbon impact of our portfolio. These objectives sit alongside our existing commitment to measure and monitor emissions across our portfolio, as set out on the following pages.

1. Climate alignment: Proportion of assets that have reached a Net Zero State
2. Exposure to climate solutions: Proportion of assets invested in climate solutions
3. Clean energy to fossil fuel ratio: Ratio of investments in clean energy to fossil fuels
4. Power generation emission intensity: Weighted average emissions intensity of power generation (tCO₂/MWh)

Updates against each of the objectives will be provided in our annual reporting from FY27 onwards.

Total emissions – operational and financed

	FY26			FY25			Year-on-year		
	Total carbon emissions (tCO ₂ e)	Carbon footprint (tCO ₂ e/£m invested) ³	Weighted Average Carbon Intensity ("WACI") (tCO ₂ e/£m revenue)	Total carbon emissions (tCO ₂ e) ⁵	Carbon footprint (tCO ₂ e/£m invested) ⁴	Weighted Average Carbon Intensity ("WACI") (tCO ₂ e/£m revenue)	Total carbon emissions (tCO ₂ e)	Carbon footprint (tCO ₂ e/£m invested)	Weighted Average Carbon Intensity ("WACI") (tCO ₂ e/£m revenue)
Carbon emissions ¹									
Scope 1	9.0	0.0009	0.054	10.7	0.0012	0.069	(16.3)%	(26.2)%	(21.9)%
Scope 2 (location based)	86.9	0.0084	0.527	137.7	0.0150	0.89	(36.9)%	(44.3)%	(41.1)%
Scope 2 (market based)	93.1	0.0090	0.564	92.5	0.0101	0.60	0.6%	(11.2)%	(6.1)%
Scope 3 (excluding Category 3.15) ²	5115.6	0.4932	31.0	4,389.2	0.4796	28.5	16.5%	2.8%	8.8%
Category 3.15 – Financed emissions	1,167,455.9	112.55	7,079.0	1,163,085.8	127.1	7,553.0	0.4%	(11.4)%	(6.3)%
Scope 3	1,172,571.5	113.05	7,110.0	1,167,475.0	127.6	7,581.5	0.4%	(11.4)%	(6.2)%
Total emissions (Scope 2 market based)	1,172,673.5	113.1	7,110.6	1,167,578.2	127.6	7,582.2	0.4%	(11.4)%	(6.2)%
Total emissions (market based) – excluding FCM	1,148,700.4	110.7	6,965.2	1,150,188.2	125.7	7,469.3	(0.1)%	(11.9)%	(6.7)%

1. Of the FY26 emissions, 0% of Scope 1, 40% of Scope 2 (market based) and 36% of Scope 1 and 2 (market based) relate to the UK.

2. For FY25, emissions include a pro rata share of WHEB's emissions.

3. Carbon footprint per tCO₂e/£m invested is calculated using enterprise value for the Real Assets Division and AUM for Private Equity and FCM to provide a meaningful metric.

4. FY25 Carbon footprint per tCO₂e/£m invested has been represented using enterprise value equivalents for the Real Assets Division to provide a more meaningful metric.

5. FY25 data has been restated following improvements to the calculation methodology and the correction of previously reported data. This has reduced the emissions of certain Real Assets investments.

Sustainability

TCFD Report

Operational emissions

Foresight conducts an annual carbon assessment aligned with its financial year. Scope 1, 2 and 3 emissions for Foresight Group are calculated in accordance with the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard, as well as the Corporate Value Chain (Scope 3) Standard.

For operational emissions, we include consumption data across all offices, covering energy use, waste, water, business travel, employee commuting and purchased goods and services. The reduction in location based Scope 2 emissions is predominantly due to the lower electricity usage across our offices and the 14.5% decrease in UK grid electricity's carbon intensity.

We are continuously working on improving the data quality, with emission factors updated to reflect the latest assumptions. Additionally, this year we further improved the accuracy of emissions from purchased services emissions and business travel.

All emissions data – excluding Scope 3 financed emissions (Category 15) – are audited with limited assurance by Turley, an external consultancy specialising in carbon accounting.

Foresight Group carbon emissions

Emissions category	Subcategory	FY26 tCO ₂ e	FY25 tCO ₂ e ¹	Year-on-year %
Scope 1				
Stationary sources	Gas consumption	9.0	10.7	(16.3)%
Mobile sources	—	0	0	n/a
		9.0	10.7	(16.3)%
Scope 2				
Location based	Electricity consumption	86.9	137.7	(36.9)%
Market based	—	93.1	92.5	0.6%
Scope 3				
1. Purchased goods and services	Water supply and spend on goods and services	3,875.0	2,913.3	33.0%
2. Capital goods		228.0	197.9	15.2%
3. Fuel and energy (not Scope 1 or 2)	T&D losses	9.9	18.5	(46.2)%
5. Waste	Wastewater and other waste	15.8	12.8	23.8%
6. Business travel	Transport – air, ground, rental cars and hotels	735.6	1,025.5	(28.3)%
7. Employee commuting	Employee transport and home working	251.1	221.2	13.5%
15. Financed emissions		1,167,455.9	1,163,085.8	0.4%
		1,172,571.5	1,167,475.0	0.4%
Total emissions (location based)		1,172,667.4	1,167,623.4	0.4%
Total emissions (market based)		1,172,673.5	1,167,578.2	0.4%
Total emissions (market based) – excluding FCM		1,148,700.4	1,150,188.2	(0.1)%

1. FY25 data has been restated following improvements to the calculation methodology and the correction of previously reported data. This has reduced the emissions of certain Real Assets investments.

Sustainability

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SECR metrics

Energy efficiency action

In FY26, Foresight developed a new Group-wide Sustainability Strategy that sets out a clear direction for the years ahead and defines a number of objectives for the Group. Further details on the Strategy can be found on pages 59, 63 and 64. Work is currently underway to develop a roadmap to achieve this objective.

Energy usage

Energy type	FY26			FY25			Year-on-year	
	Unit	Usage	% of UK	Unit	Usage	% of UK	% Change in usage	% point change of UK
Gas	kWh	48,946	0	kWh	59,022	0	(17)	0
Electricity	kWh	437,859	72	kWh	464,854	69	(6)	3



Sustainability

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Financed emissions

Financed emissions – categorised under Scope 3, Category 15 – encompass the emissions associated with the companies and assets within our investment portfolio. These emissions far exceed our direct operational emissions, making them a critical focus for climate risk management. Understanding and managing financed emissions is essential for aligning investment strategies with broader sustainability goals and mitigating long-term climate risks.

The following tables present our emissions split between divisions and scopes, offering a detailed view of how these emissions are distributed across our investment portfolio. For the purposes of Group financed emissions reporting, only the investments scope 1 and scope 2 emissions are included. The investments scope 3 emissions are presented here for additional context.

Scope 1 – Financed emissions	tCO ₂ e FY26	tCO ₂ e FY25	% AUM covered in this data	AUM covered in this data (£m)	% data based on reported data	% data based on estimation
Real Assets ^{1,2}	1,102,724	1,084,338	88	7,526	100	0
FCM ³	Only Scope 1 and Scope 2 total available: 23,973	Only Scope 1 and Scope 2 total available: 17,390	72	653	95	5
PE ⁴	15,662	12,407	100	1,887	57	43
Scope 2 – Financed emissions	tCO ₂ e FY26	tCO ₂ e FY25	% AUM covered in this data	AUM covered in this data (£m)	% data based on reported data	% data based on estimation
Real Assets ^{1,2}	19,660	22,188	88	7,526	100	0
FCM ³	Only Scope 1 and Scope 2 total available – see above	Only Scope 1 and Scope 2 total available – see above	n/a	n/a	n/a	n/a
PE ⁴	5,437	26,763	100	1,887	21	79
Scope 3 – Financed emissions	tCO ₂ e FY26	tCO ₂ e FY25	% AUM covered in this data	AUM covered in this data (£m)	% data based on reported data	% data based on estimation
Real Assets ^{1,2}	529,589	391,020	88	7,526	6	94
FCM ³	128,229	42,651	72	653	0	100
PE ⁴	129,237	95,609	100	1,887	15	85

1. Our assessment covers 454 operational assets (excluding those in development, pre-construction, construction and commissioning due to lower availability of data at these stages), with a total enterprise value of £7.52 billion. For the Real Assets division, we have used enterprise value as proxy for AUM to provide a more meaningful ratio. FY25 data has been restated following improvements to the calculation methodology and the correction of previously reported Real Assets data.

2. Scope 1 and 2 emissions have been calculated using operational fuel and electricity data provided by site management teams and third-party service providers. Estimates were used in some cases. The data reflects a full year of operations. For funds with formal emissions reporting processes, their specific reporting periods have been used; data for Australian assets reflects the last Australian financial year (FY25) which spans the period from July 2024 to June 2025; otherwise, the period from April 2025 to March 2026 applies. Scope 2 emissions are calculated using the market-based approach only. Fuel use from vehicle fleets operated by third-party contractors is accounted for in their own Scope 1 emissions.

3. FCM's emissions data is based on MSCI reports and includes five funds: Foresight UK Infrastructure Income Fund ("FIIF"), Foresight Global Real Infrastructure Fund ("GRIF"), Foresight Sustainable Real Estate Securities Fund ("REF"), Foresight Sustainable Future Themes Fund ("SFT") and the WHEB Sustainability Impact Fund ("WHEB"). MSCI methodology coverage varies across these funds, with coverage levels of 18.3% for FIIF, 60.1% for GRIF, 88.6% for SFT, 87.6% for REF and 99.5% for WHEB. As a result, the emissions data is subject to certain limitations, particularly where coverage is lower.

4. Emissions data is calculated based on reported data (where available) and PCAF estimations for the rest of the portfolio. The methodology used by PCAF to estimate the financed emissions can be found here.

Sustainability

General disclosures

General disclosures

Basis of preparation

The scope of consolidation of the sustainability disclosures aligns with Foresight Group's financial reporting.

Post-period end events

Post-period end, Foresight Group announced an agreement to dispose of its public markets FCM division. Consequently, throughout this Annual Report, data relating to FCM has been classified and presented as a discontinued operation. In advance of the expected completion of this agreement, we have continued to include FCM within certain sustainability data, predominantly relating to people data and carbon emissions, where we have also provided breakdowns which set out FCM's relevant footprint for FY26.

Frameworks and data selection

Climate-related financial information has been prepared in accordance with the TCFD requirements. In preparing other sustainability-related financial information, the Group has referred to and considered the applicability of the ISSB standards.

Foresight's employee data

Employee data has been reported based on actual headcount. Figures are reported either as at year end, 31 March 2026, or cover the period from 1 April 2025 to 31 March 2026 and include employees from the now discontinued operations (FCM). No estimates have been made in the compilation of the data.

Measurement uncertainties

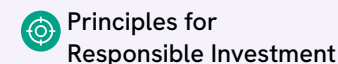
GHG emissions quantification is subject to significant inherent limitations, due to incomplete scientific knowledge and inherent limitations in the nature of and methods used to determine emission factors. Estimation methodologies for data gaps have been further developed during the financial year. The TCFD section of this report provides detailed explanations on how the emissions data has been prepared, covering Scopes 1, 2 and 3.

Judgements

The Company exercised judgements in assessing the potential impact of relevant risks and opportunities.

External review

Carbon emissions data (excluding Scope 3 financed emissions) are audited with limited assurance by Turley Associates Ltd, an independent third party.



Signatory of:



Our results:

We were pleased with the results of this year's PRI assessment, which awarded us five-star scores across all modules except Listed Equities, where our rating moved from five stars to four stars. This change in rating primarily reflected Foresight's appointment as sub-investment manager of the Liontrust Diversified Real Assets Fund ("DRAF") in January 2025. Since the PRI submission, Foresight has announced its intention to dispose of its FCM (Listed Equities) division.

Our full set of scores is set out below:

- Policy Governance and Strategy: 91% (★★★★★)
- Direct - Listed Equity (Active Fundamental): 82% (★★★★)
- Direct - Private Equity: 95% (★★★★★)
- Direct - Infrastructure: 96% (★★★★★)
- Confidence-Building Measures: 100% (★★★★★)

For more information on PRI and their reporting framework you can visit their website.

Sustainability

Sustainability-related risks and opportunities

Introduction

In FY26 the Group has started aligning its reporting approach with the ISSB framework in response to Stakeholder expectations and to enhance the consistency, comparability, and decision-usefulness of its disclosures.

The following section discusses the sustainability matters identified as material for the Group, excluding climate-related matters, which are addressed separately in the TCFD section.

Human and labour rights in the value chain

Overview

Foresight's investments have extensive and international value chains which span key sectors such as energy transition, transport, forestry and manufacturing. This broad spectrum means issues related to working conditions, equal treatment, opportunities for all and other work-related rights are material.

Our strategic response

Foresight and its investment divisions endeavour to positively influence their assets and portfolio companies by establishing standards that promote good working conditions, diverse and inclusive business practices among their suppliers and ensure equal opportunities for all Stakeholders.

Our commitment to respect human rights, including labour rights, and those of our value chain workers is outlined in Foresight's Sustainability Policy and detailed in Foresight's Human Rights Policy. Further information can also be found within our Modern Slavery Statement.

Progress during the year

During the year the Group completed its first human rights risk assessment in line with the UN Guiding Principles ("UNGPs"). The assessment covered Foresight Group's direct supply chain and, where appropriate, considered risks in the supply chains of assets held in the investment divisions. Foresight also participated in both a modern slavery statement peer analysis exercise and the Human Rights Business Accelerator programme, each hosted by the UN Global Compact. In addition, the organisation completed a Modern Slavery Act gap analysis, conducted in alignment with the UK Government's updated statutory guidance issued in March 2025.

Within Real Assets, Foresight has increased its direct engagement with solar and Battery Energy Storage System ("BESS") suppliers. These areas have been prioritised due to their increasingly complex supply chains, reliance on critical raw materials and growing regulatory and Stakeholder expectations. Find more information in our inaugural Stewardship Report on page 35.

Future plans

- Formalising Group-level risk indicators relating to Foresight's salient human rights risks
- Launching a Health and Safety Forum in Real Assets, to share best practice throughout our network of asset managers and operators
- Engaging collaboratively with organisations such as the Solar Stewardship Initiative ("SSI"), which is seeking to ensure that manufacturers and buyers of solar panels adhere to high standards of sourcing. Alongside this we will be preparing for a series of upcoming legislation requirements such as the EU Battery Passports
- Within our PE division, we are formulating a supplier due diligence help guide for our portfolio companies

Financial impact and metrics

Foresight currently measures a variety of asset and fund-level human rights metrics. These are integrated, where material, into fund-level risk registers and managed on an ongoing basis.

The outcome of the FY26 human rights risk assessment enhances oversight at a Group level by including a set of risk indicators covering Foresight's salient risks and setting out actions for strengthening our processes in FY27.

Sustainability
Sustainability-related risks and opportunities

Anti-corruption and bribery

Overview

The double materiality assessment refresh concluded that corruption and bribery constitutes a material topic for the Group. This topic encompasses both positive and negative impacts, reflecting the potential to create value through strong governance practices, as well as the risks arising from failures in controls or ethical standards.

Our strategic response

A key element of Foresight’s approach to managing bribery and corruption risk is its comprehensive Anti-Bribery and Corruption Policy, which establishes the framework at the Group level. Aligned with regulatory expectations for authorised firms, the policy applies across all Foresight entities worldwide, promoting a consistent approach while accommodating more stringent local requirements where applicable.

To further mitigate these risks, Foresight provides regular anti-bribery and corruption training to its employees, ensuring a strong understanding of relevant policies and procedures.

Foresight embeds transparency of its oversight of bribery and corruption risks through reporting at subsidiary level. This involves providing detailed reports to the boards of the regulated entities, and Group-level consolidated reports to the Executive Committee and Foresight’s Board summarising the material matters from across the Group.

Foresight recognises the material risks that bribery and corruption pose not only to the organisation but to its investments and supply chains as well, and is relevant over all time frames.

To manage these risks effectively, Foresight conducts regular assessments across its investments, considering factors such as organisational structure, the nature and scale of operations and overall risk exposure.

As part of our pre-investment processes, anti-bribery and corruption considerations are incorporated to identify assets with higher risk exposures to these issues. To address this risk, we require investments to implement essential policies within six months to adequately address corruption and bribery. Our annual assessments then evaluate the presence and effectiveness of such policies, ensuring adherence to high ethical standards. We also gather corruption and bribery data from third parties and make assessments of alignment with the UN Global Compact principles. This comprehensive data is then integrated into our investment divisions’ risk management processes, allowing for proactive mitigation and safeguarding of the portfolio against adverse events.

Our Whistleblowing policy, which encompasses a broad range of potential issues, provides a safe avenue for reporting suspected misconduct. It serves as a minimum standard and local regulations may impose stricter requirements. In such cases, local regulations should take precedence.

The Company encourages all staff to promptly report any potential wrongdoing. Our staff have multiple channels for reporting concerns, and the policy also provides external options for those uncomfortable with internal reporting channels.

In addition, Foresight Group maintains a zero tolerance approach to retaliation against whistleblowers who raise concerns in good faith. The policy sets out clear and robust procedures to safeguard individuals throughout the reporting process, ensuring appropriate legal protections are in place. Regular training further supports this framework by equipping employees with a clear understanding of the Whistleblowing policy and the available reporting channels.

More on our whistleblowing principles can be found in our Group Code of Conduct, which is available on our [website](#).

Progress during the year

During the year, Foresight has reviewed and incorporated new regulatory requirements and industry best practices relating to anti-corruption and bribery. This includes updates aligned with new guidance on Politically Exposed Persons (“PEPs”), as well as relevant FCA Policy Statements and “Dear CEO” letters.

In response to these developments, Foresight has enhanced its compliance framework to ensure it remains fit for purpose and reflective of current regulatory expectations.

Future plans

Foresight will continue to monitor bribery and corruption risks across the organisation, ensuring its control environment remains robust and effective, as regulatory expectations and industry best practices evolve.

Financial impact and metrics

Foresight Group monitors risk indicators associated with corruption and bribery, recognising their potential financial and reputational impact on the business.

Metric	FY26
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines in £ for violation of anti-corruption and anti-bribery laws	0
Number of financial crime incidents	0

Sustainability

Sustainability-related risks and opportunities

Biodiversity and ecosystems

Overview

The double materiality analysis refresh concluded that biodiversity and ecosystems is a material topic for Foresight Group, reflecting the potential impacts certain investments, particularly in the Real Assets division, might have on nature and biodiversity. These impacts include development on greenfield land potentially leading to habitat loss as well as building on degraded land which allows for nature regeneration. The assessment also reflects the importance of this topic to our investors.

Our strategic response

Nature and biodiversity are increasingly material to investment decisions, as habitat and species degradation can create significant financial, operational and regulatory risks. Impacts such as deforestation, water scarcity and biodiversity loss can affect supply chains, asset performance and long-term resilience. At the same time, investments can either harm nature or support nature-positive outcomes. We therefore integrate nature-related considerations into our investment and portfolio management approaches where relevant, to mitigate risk and drive positive environmental impact.

Putting nature recovery at the heart of asset management



Across our Real Assets portfolio, we are committed to protecting and enhancing ecosystems. This not only strengthens the natural environments in which our assets operate, but also helps safeguard commercial value by mitigating local environmental risks.

At our Foresight Solar Fund Limited ("FSFL") Lorca sites near Granada in southern Spain, we delivered biodiversity improvements during the year through the installation of ponds and bird nesting boxes, alongside wider habitat enhancements. These measures support both operational resilience and ecological value, with ponds helping to reduce dust during dry periods – improving solar panel efficiency and performance – while also creating habitats for local wildlife.



The introduction of nesting opportunities has delivered tangible benefits, particularly supporting the recovery of the lesser kestrel, a native falcon species that has faced significant population decline in recent years¹.

We are also advancing biodiversity initiatives across our Australian portfolio. During the year, we launched a revegetation project at the Hume hydropower plant in New South Wales. This includes installing water-saving devices and protective fencing, preparing planting sites, and targeted spot spraying to support growth. In a region increasingly exposed to climate-related risks such as floods, droughts and bushfires, these measures both strengthen asset resilience and protect the local ecosystem².

1. Source: BOU, "What's driving Lesser Kestrel declines despite conservation efforts?".

2. Source: LA Trobe University, "Climate change threatens billion-dollar industry".

Sustainability

Sustainability-related risks and opportunities

Progress during the year

There has been a significant amount of progress during the year within Real Assets in developing our approach to biodiversity and ecosystems. Some key highlights include:

- Progress made towards developing a consistent, portfolio-wide approach to biodiversity baselining. During the year, Biodiversity Net Gain (“BNG”) assessments were carried out on 25 sites across the Foresight Solar Fund Limited (“FSFL”), Foresight Energy Infrastructure Partners (“FEIP”), Foresight Environmental Infrastructure (“FGEN”) and Inheritance Tax Solution (“ITS”) portfolios¹
- Progress in developing specific biodiversity and nature KPIs, with FGEN and FSFL both establishing biodiversity-linked targets within their individual Revolving Credit Facilities (“RCFs”). These targets are phased, with specific requirements over time. For example, the FGEN target requires an increased proportion of sites with biodiversity enhancements
- To further our understanding of new biodiversity monitoring techniques, such as acoustic monitoring, we have been working with universities to explore emerging ecological monitoring approaches
- Our geospatial platform which we have developed with Frontierra is proving effective at ensuring new investments are EU Taxonomy aligned, whilst supporting ongoing portfolio management through risk identification and analysis
- The Real Assets Team has also been actively engaged in collective engagement through the UKSIF Biodiversity Forum, which has informed enhancements to Foresight’s approach to nature and biodiversity stewardship

Future plans

We remain committed to actively managing biodiversity and ecosystems risks and exploring opportunities. In the coming year we plan to continue working on a number of focus areas:

- We intend to build upon the Nature Recovery Blueprint that was published by Foresight alongside the Eden Project in 2024 by developing standalone blueprints for Australia, the Nordics and the Mediterranean regions. Work towards an Australian Blueprint is the most advanced, with a third party progressing baseline development and risk and opportunity assessments. The development of the Nordic and Mediterranean Blueprints will contribute to a new fund-level nature strategy for our flagship FEIP funds
- We plan to build upon BNG assessments carried out this year across FSFL, FEIP, FGEN and ITS sites to deliver habitat enhancements, with a focus on those which have the potential to create BNG-eligible habitat units

Financial impact and metrics

Biodiversity and ecosystem impacts are not currently quantified for the Group due to the evolving nature of methodologies, data limitations and the absence of universally accepted measurement standards, which make it challenging to translate these impacts into comparable, decision-useful metrics. Foresight will continue to monitor emerging regulatory and market developments, including frameworks such as the Taskforce on Nature-related Financial Disclosures (“TNFD”) and evolving EU and UK guidance, to inform its approach over time.

Responsible marketing

Overview

Responsible marketing practices, such as providing clear, honest information in an accessible format to clients and customers, have been identified as material to Foresight Group. This includes transparent disclosure of risks and costs, clear, fair and not misleading communications, regulatory compliance and alignment with the Group’s sustainability commitments.

Our strategic response

At Foresight, we are committed to providing clear, fair and not misleading information to our investors. We recognise the importance of transparency in building trust and mitigating the risks related to misleading information and to potential exclusion of certain social groups.

Foresight Group engages with its clients and end users through multiple channels. These channels include financial advisers, as well as online and printed prospectuses and fund materials available on our website.

1. BNG assessments quantify the potential biodiversity uplift achievable through targeted interventions on individual sites, with this forming part of the mandatory planning requirements for specific new developments in the UK.

Sustainability

Sustainability-related risks and opportunities

Foresight will always aspire to provide clear, balanced and accessible disclosures about the risks and returns associated with our investment products and their sustainability outcomes where relevant. These are bespoke for each product, and each product has its set of reports and prospectuses available on our website. Additionally, the dedicated landing pages for funds and comprehensive investor guides help to provide clarity and accessible information. This is designed to help alleviate confusion and promote transparency on features, benefits and associated risks with our investment products. In recognising that many end clients, particularly within our consumer and financial adviser-focused funds, are often post-retirement age, we take deliberate steps to ensure our messaging is appropriate and accessible.

Group-wide anti-greenwashing guidance is available to all employees. Specific sustainability claims are reviewed on a case-by-case basis, taking into account the level of operational control and ownership stake.

Further detail on our approach can be found within our Sustainability Policy.

Progress during the year

This year, Foresight Group has enhanced its approach to reviewing claims made on sustainability for relevant funds and Group-level commitments. The internal guideline documents detail principles to be followed, and methods of escalation for approval when public-facing documents and claims are to be published. This is to ensure that we are taking steps to not mislead customers, whilst providing them with information that is clear and accurate on our products.

Future plans

Foresight will continue to make iterative enhancements to its approach to responsible marketing, always considering different ways to ensure that messaging is clear for consumers. Regulatory oversight in this domain has also been a focus, and continuing to align our approach with regulations and respective changes is an ongoing priority. This includes a commitment to a comprehensive training offering incorporating internal and external subject matter experts.

Financial impact and metrics

Foresight's goal is to continue to provide clear and informative public disclosures, while prioritising its responsibility to consumers and the wider market when making claims and carrying out broader marketing activities. Responsible marketing is not currently linked to any metrics. We will continue to monitor this area for development, and consider options for monitoring metrics in the future.

Cybersecurity and data governance

Overview

In an era where cyber threats are escalating with increasing sophistication, the integrity, confidentiality and availability of Foresight data is a paramount concern. Foresight takes information security very seriously and attaches the same importance to managing the risks to its technology and information as it does to managing its regulatory, financial and operational risks.

Our strategic response

Foresight has a risk management culture led by its Executive Committee, which reports to the Group Board and its Audit & Risk Committee. Supported by the Group's Risk Committees and IT Steering Committee, it encourages a culture of technological innovation whilst maintaining strict risk controls across the business, with cyber risk thoroughly integrated into the Group's risk management framework. This incorporates a strong focus on due diligence for third-party providers, which is conducted in proportion to the services provided and data which is processed.

For more information on our strategic response, please see the operational resilience and cybersecurity risk section on page 40.

Sustainability

Sustainability-related risks and opportunities

Progress during the year

Throughout the year Foresight has continued to evaluate its cybersecurity capabilities through leveraging industry frameworks such as COBIT and NIST¹, internal and external threat-led testing, and obtaining recognised certification including “Cyber Essentials Plus”.

We also reviewed our information security governance arrangements, including access controls and monitoring processes, to help ensure they remain proportionate to the risks faced by the business. This work supports our broader approach to responsible technology, data protection and digital ethics.

Training and awareness remained a core part of our approach to building a cyber-aware culture. We continued to focus on equipping employees and relevant partners with the knowledge to identify cyber risks, protect information and act as an additional line of defence against cyber attacks. 100% of employees completed annual cybersecurity training, and phishing simulations were carried out during the year to help reinforce awareness and reporting behaviours.

Future plans

Foresight will continue to monitor its internal and external cybersecurity environment and review the effectiveness of its cybersecurity tooling, controls and processes. As cyber threats evolve, we will continue to adapt our capabilities to prevent, detect, respond to and recover from cybersecurity incidents.

Consistent with practice across the financial services sector, Foresight will continue to review and refine its “assumed breach” approach, with a focus on improving detection, response and recovery capabilities.

We will also continue to evaluate the logs captured as part of our operations, ensuring that logging remains relevant, proportionate and effective. This supports both security monitoring and responsible resource use by reducing unnecessary storage and processing.

Financial impact and metrics

Cybersecurity is incorporated within overall operational resilience, which is one of Foresight Group’s principal risks, underlining the importance placed on managing cyber risk within our Group risk framework. The financial impact of this is modelled within scenario analyses which are managed by Foresight’s Group Financial Reporting and Risk teams and monitored within the Group Enterprise Risk Management (“ERM”) system.

No material cybersecurity incidents were identified during the reporting period.

AI ethics

Overview

AI ethics has been identified as a new material topic for Foresight, reflecting the rapid development and increasing use of AI technologies, which present both opportunities and risks for the business.

Our strategic response

Foresight has adopted a co-ordinated AI strategy which focuses on integrating the use of AI across our investment activities and operations to unlock productivity gains, alongside ensuring responsible governance and security.

We recognise that there are risks with the use of AI. This is reflected in AI being cited as an emerging risk to the Group (see page 40). Our Group AI Policy stresses that generative AI can be a powerful tool which also carries risks. All employees are required to comply with the Group’s AI Policy and Acceptable Use Policy and complete dedicated training and onboarding. The use of AI is always subject to human oversight. The Group also places restrictions on certain types of AI, with Microsoft Copilot currently serving as Foresight’s primary approved AI platform. Our approach to AI is supported by our bi-monthly AI forum, which includes representatives from teams across the business and helps to support a consistent approach in the use of AI. AI ethics has been integrated into the Group ERM following the double materiality analysis refresh and as a result it will form part of the regular risk reviews. The Sustainability team will inform the Board on any developments in this area as necessary.

Training is also a central part of our approach and is delivered by our T&D team, which lead sessions for employees across the business, and a specialist Copilot adoption partner. Their focus has been on ensuring that teams receive tailored support appropriate to their use of AI, with some teams receiving advanced or privileged access to AI tools which can support them in their roles.

1. Control Objectives for Information and Related Technologies, and National Institute of Standards and Technology.

Sustainability

Sustainability-related risks and opportunities

AI also presents investment opportunities for Foresight Group. This includes potential access to innovative SMEs leveraging AI through our Private Equity division and the potential benefits to our Real Assets division of increased demand for energy driven by AI.

Progress during the year

Throughout the year we have made significant progress in our responsible use of AI. Progress includes:

- Introduction of stronger internal controls on generative AI use and clearer employee guidance
- Focus on training with the launch of a digital learning zone on AI and delivery of multiple training sessions by the T&D team, and our adoption partner
- Embedding the use of AI into deal sourcing and due diligence
- Encouraging the controlled use of tailored AI agents across the business

Forward-looking plans

In the next financial year, we intend to focus increasingly on responsible AI. This will include a review of how responsible AI is integrated within our relevant policies and procedures.

Financial impact and metrics

In the reporting period, AI-related opportunities have supported productivity and improved efficiency across the business, helping us to re-allocate resources elsewhere. This has come alongside investment in AI, both through the purchase of AI tools as well as time commitment from our T&D team. While it is still too early to quantify the direct financial impact of AI at Foresight, we are developing metrics to capture this value.

Based on early signals and clear productivity gains, our expectation is that over the medium to long term AI will strengthen the resilience of the business. We also expect AI to create additional value for the Group through new investment opportunities.

We do not currently have quantitative metrics to track progress against AI ethics, but will keep this under review as our adoption of AI across the business increases.

Economic and social impact on local communities

Overview

Foresight works to build relationships with the communities surrounding its offices, assets and investments to underpin our role as a responsible corporate citizen and investor. Community and charitable partnerships create meaningful employee engagement and pride. Local engagement also contributes to investment performance and builds stronger relationships and trust with our investors. Embedding our people, assets and investments within the social fabric of local communities mitigates operational and reputational risks. It also boosts local business networks, supports long-term resilience, ensures indigenous communities are respected and enhances the social value of projects.

Our strategic response

At the corporate level, Foresight partners with charities and schools, alongside offering opportunities for employees to volunteer their time towards good causes. While Foresight's strategies for community engagement vary for each investment division, across the Group we aim to positively impact local communities and contribute to long-term social benefit.

Through this we deliver long-term sustainable value for clients while also supporting outcomes that benefit broader society, including local communities.

Progress during the year

- Continued to support a range of charities at a corporate level. This includes Svitlo Education, a charity that provides education and skills development to young Ukrainians affected by war, where members of the Foresight team have provided skills and career sessions. Foresight also welcomed 27 students from the Amos Bursary for a Summer Insights Day for a series of practical skills-focused workshops, with participation from Foresight teams across the business
- £2.7 million contributed to local communities in the UK across our Real Assets division. This money is used in a variety of ways by regional authorities to improve the lives of residents near our operational sites
- Earth Energy Education's collaboration with Foresight's Real Assets division continues to deliver positive outcomes. During the 2024-2025 academic year, the programme delivered 44 visits to solar and wind farms. A total of 40 Science, Technology, Engineering and Maths ("STEM") career sessions were also delivered in schools, where experts highlighted the diverse career paths available in the renewables sector
- An additional four participants funded by Foresight Natural Capital through the Foresight Tilhill Forestry Skills Training Programme, which provides fully funded, practical training to enable entry into forestry roles. To date, 26 candidates have completed the programme
- Within Private Equity, there was an increase in the number of jobs supported across the Regional Investment fund series from c.3,400 to nearly 5,000, over half of which are skilled roles¹

1. Foresight defines a skilled role as one earning over £30,000. Calculation does not account for Foresight ownership stake.

Sustainability

Sustainability-related risks and opportunities

Future plans

- Our Private Equity division is currently partnering with the Good Economy to develop a social impact assessment for our portfolio. This will involve quantifying both the direct and wider economic impacts of our investments, including employment quality, productivity and contribution to local economies
- We plan to focus on the implementation of RCF-linked metrics across a number of our Real Assets funds, a number of which are relevant to local communities. For example, FGEN has a specific performance metric related to community benefits. The target is that 53% of in-scope sites should receive voluntary community funding, up from a baseline of 38% in FY24

Financial impact and metrics

Where relevant, risks related to local communities are included within asset and fund-level risk management processes. When material, these risks also are integrated into scenario analyses which will include an analysis of financial impact.

Metrics relating to communities are also tracked as part of our core long-term Sustainability Strategy objectives. These can be seen on page 63.

CASE STUDY

Our approach to community engagement in Australia



Foresight's approach to community engagement in Australia demonstrates the meaningful value that can be created through strong, proactive outreach.

Through our local teams, we deliver community benefit funding and support initiatives such as sporting events, site visits and cultural heritage surveys. These activities across all of our Australian solar, hydropower and wind sites help build lasting relationships with local Stakeholders, support effective site operations and reinforce our social licence to operate. For example, the Kondinin wind farm – located in a community of approximately 300 people – has received strong local support for the project. Kondinin's Community Consultative Committee, made up of representatives from the local community, will oversee the annual community benefit fund of \$150,000 once the project is operational.



This ensures that funding is directed to where it is most needed and that local residents directly experience the benefits of Foresight's wind energy projects. This approach highlights the importance of close, meaningful engagement with Stakeholders, particularly in rural areas where strong relationships are essential to successful asset management.

"I genuinely believe renewable energy is an exciting growth opportunity for regional areas. It's one of those rare win-win situations: small communities share in the benefits through community funds; renewable energy development can progress; and the environment is better off too. In short, when nature thrives and communities grow, everyone wins, including our investors!"

Kyla Padfield

Community Liaison Lead, Foresight Australia

Sustainability

United Nations Global Compact Index

United Nations Global Compact

The United Nations Global Compact ("UNGC") is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. Foresight has been a signatory member of the UNGC since 2019 and supports the initiative's ten principles on human rights, labour, environment and anti-corruption. Below we are reconfirming our commitment.

To our Stakeholders,

I am pleased to confirm that Foresight Group reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Gary Fraser

Chief Executive Officer

UNGC Principles	Disclosure
Human rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Human and labour rights in the value chain Page 96.
Principle 2: Make sure that they are not complicit in human rights abuses.	Human and labour rights in the value chain Page 96.
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Our people Pages 65 to 71.
Principle 4: The elimination of all forms of forced and compulsory labour;	Human and labour rights in the value chain Page 96.
Principle 5: The effective abolition of child labour; and	Human and labour rights in the value chain Page 96.
Principle 6: The elimination of discrimination in respect of employment and occupation.	Our people Pages 65 to 71.
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	TCFD Report – Risk management Pages 79 and 80.
Principle 8: Undertake initiatives to promote greater environmental responsibility; and	Biodiversity and ecosystems Pages 98 and 99.
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	TCFD Report – Opportunities Pages 86 and 90.
Anti-corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-corruption and bribery Page 97.

Sustainability Indices

ISSB Index

Disclosure category	Sub-category	Disclosure covered	Section in the report	Comments
Governance To understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities.	—	IFRS S1: 27 a) – b) IFRS S2: 6 a) – b)	Sustainability Governance Environment/TCFD Report – Governance	—
Strategy To understand an entity's strategy for managing sustainability-related risks and opportunities.	Sustainability-related risks and opportunities	IFRS S1: 30 a) – c) IFRS S2: 10 a) – d)	TCFD Report – Risk management Our people Climate resilience Human and labour rights in the value chain Anti-bribery and corruption Biodiversity and ecosystems Responsible marketing Cybersecurity and data governance AI ethics Economic and social impact on local communities	
	Business model and value chain	IFRS S1: 32 a) – b) IFRS S2: 13 a) – b)	Overview of Group's exposure to risks and opportunities	Climate change: Resource allocation for related activities is not in place. Foresight Group's Climate Alignment Plan acts as a carbon reduction objective at the Group level.
	Strategy and decision-making	IFRS S1: 33 a) – c) IFRS S2: 14 a) – c)	Our people Climate resilience Human and labour rights in the value chain Anti-bribery and corruption Biodiversity and ecosystems Responsible marketing Cybersecurity and data governance AI ethics Economic and social impact on local communities	—
	Financial position, financial performance and cash flow	IFRS S1: 35 a) – d) 40 a) – c) IFRS S2: 16 a) – d) 21 a) – c)	TCFD Report – Risk management Financial position, financial performance and cash flow	The financially material sustainability topics have been refreshed and materiality definitions refined. Additionally, climate risks are now incorporated into divisional risk registers with assigned ownership, mitigation plans and regular reporting to Senior Management and respective Boards.

Sustainability

Indices

Disclosure category	Sub-category	Disclosure covered	Section in the report	Comments
Strategy To understand an entity's strategy for managing sustainability-related risks and opportunities.	Resilience	IFRS S1: 41 IFRS S2: 22 a) – b)	Our people Climate resilience Human and labour rights in the value chain Anti-bribery and corruption Biodiversity and ecosystems Responsible marketing Cybersecurity and data governance AI ethics Economic and social impact on local communities	For climate change: Foresight undertook a quantitative scenario analysis for its Real Assets portfolio and a qualitative scenario analysis for a subset of the Private Equity portfolio in FY26 as part of its assessment of climate resilience.
Risk management To understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process and to assess the entity's overall risk profile and its overall risk management process.	—	IFRS S1: 44 a) – c) IFRS S2: 25 a) – c)	TCFD Report – Risk management Financial position, financial performance and cash flow	—
Metrics and targets To understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Metrics	IFRS S1: 46 a) – b) 49 IFRS S2: 28 a) – c) 29 a) – g)	Our people Climate resilience Human and labour rights in the value chain Anti-bribery and corruption Biodiversity and ecosystems Responsible marketing Cybersecurity and data governance AI ethics Economic and social impact on local communities	Source for metrics reported in the sections: IFRS S2 SASB standards for asset managers Principal Adverse Impact ("PAI") Indicators (EU Sustainable Finance Disclosure Requirements) European Sustainability Reporting Standards FCA diversity and inclusion consultation paper No internal carbon pricing is currently in place
	Targets	IFRS S1: 51 a) – g) IFRS S2 33 a) – h) 34 a) – d) 36 a) – e)	Strategy – Our Climate Alignment Plan Strategy – Our long-term objectives	Foresight's Climate Alignment Plan has been developed to strengthen how we manage climate-related risks and opportunities across the business. The Plan is informed by recognised external frameworks, including the Science Based Targets initiative ("SBTi") Financial Institutions Net Zero ("FINZ") recommendations, which we have used to guide our approach. Additionally, our Sustainability Strategy sets out seven long-term objectives covering responsible business, people and culture, and climate and environment.