

Stewardship Report 2025

Activities and Outcomes

Foresight Group LLP

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Mt Miller Wind Farm, Australia, Part of Foresight's portfolio

Case study directory

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Introduction



David Hughes
Chief Investment Officer

Foresight’s stewardship approach is grounded in the organisational beliefs, governance structures and policies set out in our Policy and Context Disclosure (a separate document prepared for the purposes of the UK Stewardship Code 2026). Together with that disclosure, this Activities and Outcomes Report forms Foresight Group’s first group-wide stewardship report and our submission under the Code. The report sets out our priorities and explains how these have been translated into stewardship activity across the Group during 2025¹ and how this supports long-term sustainable value creation for our clients.

This report is structured around the six Principles of the UK Stewardship Code, with each section setting out the activities undertaken during the reporting period and the outcomes observed, where applicable. The structure is intended to provide clear alignment with the Code’s expectations, while allowing readers to understand how our stewardship approach is applied in practice across strategy, governance, resources, engagement and reporting.

We report across all Foresight divisions, reflecting our approach that sees stewardship as a core component in how we manage risk, allocate capital and deliver long-term sustainable value for clients across both public and private markets. This report is also intended to provide clients with a comprehensive and clear account of our approach which is aligned with the UK Stewardship Code.

Bringing together existing stewardship practices at group level enables us to articulate a consistent framework and demonstrates how our methods differ appropriately by asset class and make stewardship outcomes more visible. This report also establishes a baseline against which future stewardship activities, outcomes and progress can be assessed.

The evidence presented in this report draws on two complementary sources. Case studies and data points integrated throughout the narrative sections showcase stewardship activity and outcomes from across Foresight Group’s divisions, including Real Assets, Private Equity and Foresight Capital Management (FCM) funds.

Within this, examples from the WHEB Impact Strategy are used more extensively to illustrate the depth, prioritisation and escalation practices of the stewardship and engagement model that FCM has adopted across its public equity strategies following the acquisition of WHEB in March 2025. In parallel, Section 7 provides a consolidated Stewardship Data Pack covering 2025 stewardship activity relating to FCM’s existing funds prior to the acquisition, ensuring transparent and comprehensive disclosure during a year of organisational transition. By doing so, we aim to equip clients with the necessary information to assess our stewardship approach, understand the outcomes achieved and use this information as a mechanism for accountability.

Key highlights from 2025 include enhanced public markets stewardship capability following the WHEB acquisition, clearer articulation of stewardship processes across all divisions, public disclosure of our stewardship and voting policies, together with 20 case studies demonstrating Foresight’s stewardship in practice across asset classes.

Together, these elements provide a platform for continuous improvement, ensuring stewardship serves its ultimate purpose of delivering long-term sustainable value for our clients.

This report has been produced under the Group’s stewardship governance framework, led by the Stewardship & Climate Manager, with oversight from the Head of Sustainability and the Chief Investment Officer.

1. All references to 2025 are to calendar year 2025.

1. Integrating Stewardship and Investment

Principle 1: Signatories integrate stewardship and investment to deliver long-term sustainable value for their clients and beneficiaries

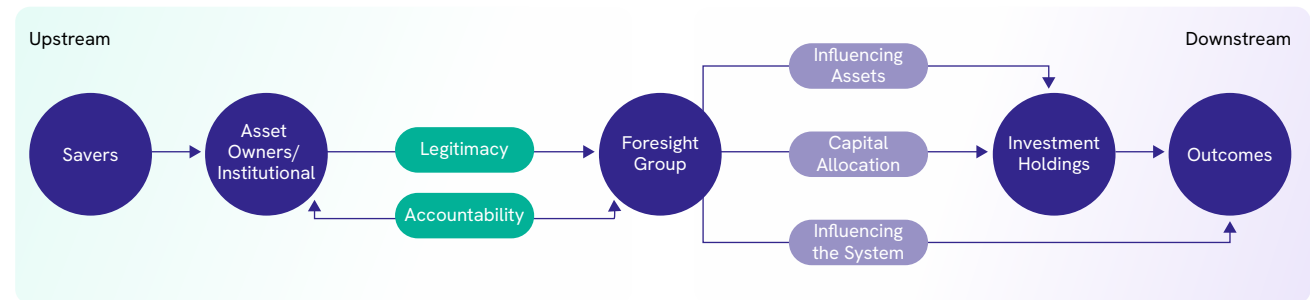
In this section, we evidence this work in 2025, outlining the key activities undertaken and the outcomes achieved across our strategies.

As set out in the Policy & Context Disclosure, Foresight's purpose is to invest to build a sustainable future and grow thriving economies. Achieving this purpose means we need to be effective as stewards of our investor's capital. As a consequence, we consider stewardship as a core investment function that is embedded across our Real Assets, Private Equity and Foresight Capital Management divisions.

Our stewardship activities during the reporting period spanned the full investment value chain (Figure 1). Upstream, we ensure our approach reflects client mandates and expectations and remain accountable for our activities through meaningful, transparent reporting. Downstream, we apply engagement, voting and broader market-level influence to shape outcomes at the investment-level¹ and to support the wider sustainable finance industry.

It's our belief that, taking stewardship into account in this way across the full investment value chain provides a solid foundation for the delivery of sustainable long-term value for our clients.

Figure 1: Stewardship fundamentals at Foresight Group²



1.1 How integration of stewardship guides identification and prioritisation of engagement objectives.

Stewardship is most effective when it is integrated with continuous monitoring and analysis across Foresight's investments. Ongoing oversight enables investment teams to build a deep understanding of the factors shaping both investment decisions and stewardship priorities, including governance quality, market dynamics, real-economy impacts and financially material sustainability and environmental social and governance (ESG) considerations. These insights are embedded throughout our investment process, ensuring that stewardship informs our assessment of quality, resilience and long-term value creation. Insights generated through engagement and monitoring also support fund-level sustainability disclosures, including reporting under Sustainable Finance Disclosure Regulation (SFDR) (see Case study 20) and UK Sustainability Disclosure Requirements (SDR) where relevant.

Our approach also reflects the wider context in which our investments operate. This broader perspective allows us to set clear engagement objectives and to define the outcomes we seek in delivering sustainable, long-term value for clients.

We use both bottom-up and top-down inputs to determine where engagement is most needed. Bottom-up, investment teams identify material issues through due diligence, asset analysis and ongoing monitoring, ensuring engagements focus on the risks and opportunities most relevant to each investment's strategy, maturity and profile (Case studies 1 and 2). Top-down, client mandates, regulatory expectations and Group-level sustainability objectives help align stewardship with the broader priorities of clients, beneficiaries and society.

1. References to "investment-level" include companies, issuers and other assets across our portfolios.

2. <https://www.whebg.com/assets/files/uploads/20241030-wheb-stewardship-white-paper.pdf>

1. Integrating Stewardship and Investment

System-level risks relevant to client interests, but not material at individual investment level, are addressed through Foresight's broader stewardship activities (see Case study 3). These activities include participation in collaborative initiatives, policy engagement or market-wide advocacy. This approach ensures that we remain responsive to client expectations while keeping investment-level engagement tightly focused and effective.

1.2 Sustainability as a driver of investment quality

A refreshed Double Materiality Analysis (DMA), undertaken in 2025, now also provides a lens for identifying and prioritising material ESG and sustainability topics for action across Foresight. These issues may then be incorporated into strategic decisions about product development, in preparing disclosures and when undertaking systems-level or macro stewardship and other work to "influence the system" (Figure 1). This is explored in more detail under Principle 2.

Given the diversity of asset classes, investment strategies and products across the Group, sustainability priorities differ by division. Each division identifies and prioritises the issues most relevant to its markets and regulatory context, enabling stewardship to be integrated in a targeted and proportionate manner that focuses on the sustainability factors most material to long-term value creation.

Foresight applies stewardship proportionately across asset classes and investment strategies, reflecting differences in ownership structures, influence levers and client objectives. Our governance arrangements, divisional responsibilities, resourcing model and stewardship processes are set out in the Policy & Context Disclosure (Sections B.1 Governance and oversight, B.2 Stewardship resources, and C.3 Stewardship processes by division). This report focuses on how these arrangements were applied in practice during the year, highlighting stewardship activities undertaken and outcomes achieved across our strategies.



Wildflower seed collection at Fordie Estate, Scotland, Part of Foresight's portfolio

CASE STUDY 1

Community-Centred Biodiversity Stewardship in Practice at Glaister's Bridge

Foresight Natural Capital (Real Assets)

Background: Stewardship is an important part of how assets are managed within Foresight's Real Assets division, with biodiversity increasingly recognised as a contributor to long-term value and asset resilience. The Glaister's Bridge Community Woodland project at the Upper Barr investment in Dumfries & Galloway illustrates how stewardship considerations are integrated into asset management decisions through targeted governance arrangements within a defined part of a wider forestry holding.

In 2024, Foresight entered into a 20-year lease agreement with the Upper Urr Environment Trust (UUET) covering a core area of c. 5-6 hectares, with managed access to a wider c. 70 hectares. The aim of the agreement was to restore and co-manage part of the site at Upper Barr, an area of the site under community management being called the Glaister's Bridge Community Woodland. The lease structure, believed to be the first of its kind in a commercial woodland context, embeds community governance into the long-term management of the asset. As Foresight's first afforestation investment, Upper Barr is strategically significant as a test case for embedding community-centred stewardship within the Real Assets portfolio.

Objective: The objective of the investment is to enhance biodiversity and natural capital at Glaister's Bridge Community Woodland, strengthen local governance structures that support asset resilience and develop a scalable model for community-centred, nature-positive land management. This approach directly supports Foresight's stewardship priorities on biodiversity enhancement and resilient community assets, identified as long-term value drivers across the Real Assets portfolio.

Stewardship Activity: Foresight's stewardship input focused on the structuring of the investment and governance arrangements, including the provision of land and the design of a long-term co-management lease with UUET. The 20-year lease model was selected in preference to a more conventional management arrangement to signal long-term commitment, align incentives and provide the community with a high degree of autonomy over stewardship decisions affecting the site within the agreed area.

Working in partnership with UUET and operational manager EJD Forestry, Foresight supported a programme of ecological and access-related interventions, including the planting of c.750 trees and the creation of new woodland pathways to support habitat health and facilitate ecological monitoring. The site also hosted the launch of a national Good Practice Guide for Community Engagement in Woodland Creationⁱ, positioning Glaister's Bridge as a reference example for community-engaged woodland management within the sector.

Outcomes: The stewardship approach has already led to observable progress. Community involvement in the stewardship of the site has deepened. The afforestation site provides ongoing work to manage the site for 15 community members, and multiple events have been held, such as a planting day attended by 130 people, moth trapping, artistic classes, 'World Rivers Day' performances and bench unveiling together attended by more than 350 members of the public, with UUET playing a central role in governance and in shaping the monitoring approach for the woodland. This strengthened partnership has informed a wider collaboration agreement between Foresight Natural Capital and Dumfries & Galloway Woodlands, enabling the principles tested at Glaister's Bridge to be considered for replication at other locations.

A Biodiversity Net Gain (BNG)-compliant baseline has been established across the site, providing a robust foundation for monitoring biodiversity change over time. Community representatives have contributed to the identification of appropriate indicators for tracking project success, strengthening local ownership and oversight of outcomes.

The project has also attracted interest from other forestry participants, evidencing how integrating stewardship considerations into Real Assets investment structures can support asset resilience, improve long-term risk management, and generate learning that is relevant beyond a single site.

Ongoing stewardship will focus on monitoring biodiversity outcomes against the established baseline, maintaining effective community governance arrangements, and assessing the applicability of the co-management model across Foresight's wider Natural Capital portfolio.

i. <https://www.confor.org.uk/media/3777050/good-practice-guide.pdf>



> Community at Glaisters Bridge

CASE STUDY 2

Integrating Stewardship throughout the investment process using Foresight's ESG Questionnaire – Bloemteknik

Division: Private Equity

Example: Bloemteknik Limited (Bloem)

Background: Bloem, founded in 2023 and based in Cardiff, develops precision LED lighting systems for commercial greenhouses and vertical farms. Its modular technology improves crop yields, improves energy efficiency and supports lower-carbon food production. Bloem has rapidly scaled internationally, deploying over 25,000 fixtures.

Foresight invested £2.5 million in 2025 through the British Business Bank's Investment Fund for Wales and Foresight's Growth venture capital trusts (VCTs).

Objective: To identify and address material operational risks early in the investment process and strengthen Bloem's supply-chain resilience as the company scales internationally.

Stewardship Activity: As part of pre-investment due diligence, Bloem underwent Foresight's due diligence, which assesses material risks and opportunities, double materiality topics, climate expectations, governance criteria and sustainability key performance indicators.

The ESG assessment highlighted a significant concentration risk, including a particular reliance on a single specialist supplier of core LED fixtures and drivers in China. Given geopolitical uncertainty and tariff exposure, the issue was deemed material to business continuity and growth. Foresight's Private Equity Investment Committee integrated these findings into governance conditions, requiring a 100-day post-investment plan focused on diversification.

This included evaluating European suppliers, assessing a new Malaysian production site and exploring late-point assembly in the UK and US. Foresight monitored progress through structured oversight meetings.

Outcomes: Bloem implemented all required actions, establishing dual-sourcing for key components, reducing tariff exposure and increasing operational resilience. This case illustrates how Foresight's purpose-led stewardship approach uses systematic ESG assessments to identify material risks and convert them into actionable improvements that support long-term, sustainable value creation.



Members of the Bloemteknik Team

CASE STUDY 3

‘Top down’ prioritisation & ‘influencing the system’ to address antimicrobial resistance (AMR)

Division: FCM (WHEB Strategy)

Background: Antimicrobial resistance (AMR) occurs when disease-causing microbes evolve to resist the drugs that are designed to kill them. AMR poses a severe threat to global health and economic stability, with projections suggesting it may cause a higher mortality rate than cancer and reduction of global GDP by nearly 4% by 2050^{i,ii}.

Given the potential to disrupt global health, food systems and financial markets, AMR represents a systemic risk. It has therefore become a core priority for many large institutional investors and asset owners with diversified, long-term portfolios, an important client segment for the WHEB Strategy and across Foresight more broadly. In this context, we considered how Foresight can contribute meaningfully to collective action on AMR.

While antimicrobial resistance is a significant systemic risk, our exposure to the primary drivers across the portfolio is limited. This case study therefore illustrates how integrated investment and stewardship analysis informs the prioritisation of engagement activity, including decisions not to pursue company-level engagement where this would be disproportionate or ineffective.

Objective: To support effective collective action on antimicrobial resistance in a way that is proportionate to its materiality within the WHEB Strategy.

Stewardship Activity: An assessment of the materiality of the issue to the WHEB Strategy confirmed that we have relatively limited exposure to the primary drivers of antimicrobial resistance, such as the overuse of antibiotics and intensive agricultural practices.

As a result, direct engagement with our investees on AMR would have limited potential to deliver meaningful impact, given the relatively low relevance of these issues to our holdings. Moreover, AMR is a systemic risk that cannot be mitigated through individual company action alone. Despite the relatively limited exposure to AMR risk within our portfolios, we believe we have an important role to play in supporting collective efforts to address this global challenge. In 2024, WHEB joined the Investor Action on AMR initiative (IAAMR), a coalition led by the Access to Medicine Foundation, FAIRR, and the UK Government. Our involvement has included co-signed a public statement urging global policymakers to actⁱⁱⁱ, which was presented at the UN General Assembly.

We have also participated in quarterly IAAMR meetings, spoken alongside senior politicians and scientists at the launch of the AMR Benchmark research and helped raise awareness of the initiative through our involvement in other coalitions, including UK Sustainable Investment and Finance Association (UKSIF) and Shareholders for Change.

Outcome: AMR remains a complex, long-term systemic risk that requires coordinated action across governments, health systems, industry and investors. While progress is necessarily incremental, collaborative investor advocacy has contributed to increased policy attention at the international level.

One tangible development following the UN General Assembly discussions has been progress toward establishing an Independent Panel for AMR Action, intended to strengthen global governance through authoritative, science-based policy coordination. While the establishment of the Independent Panel cannot be attributed to any single actor, investor advocacy through IAAMR helped reinforce the economic and financial case for coordinated AMR governance, complementing public health leadership.

By framing AMR as a risk to long-term economic stability and diversified investment portfolios, the investor coalition has supported broader efforts to elevate AMR as a priority within multilateral policy forums.

For the WHEB Strategy, this work demonstrates how proportionate, targeted stewardship can contribute to addressing systemic risks even where direct portfolio exposure is limited. More broadly, it illustrates how macro stewardship is relevant across Foresight Group, enabling different strategies and asset classes to support collective action on system-level risks that cannot be mitigated through individual company engagement alone. Participation in IAAMR has strengthened our understanding of the role investor collaboration can play in policy-led initiatives, informing our approach to future systemic stewardship priorities.

- i. Global burden of bacterial antimicrobial resistance 1990–2021: a systematic analysis with forecasts to 2050 Naghavi, Mohsen et al. The Lancet, Volume 404, Issue 10459, 1199 – 1226
- ii. <https://www.worldbank.org/en/news/press-release/2016/09/18/by-2050-drug-resistant-infections-could-cause-global-economic-damage-on-par-with-2008-financial-crisis?>
- iii. <https://www.fairr.org/investor-statements/investor-action-on-amr-public-investor-statement>



2. Promoting well-functioning markets

Principle 2: Signatories identify and respond to market-wide and systemic risks to promote well-functioning financial markets.

Foresight recognises that the stability and integrity of financial markets depend on the effective management of macro-level, systemic sustainability risks.

These risks operate across sectors, geographies and entire economies, often affecting markets simultaneously. Because of this breadth and interconnectedness, they cannot be diversified away or addressed solely through investee-specific engagements.

As a result, systemic and market-wide risks have the potential to influence long-term market performance, capital allocation dynamics, economic resilience, investment outcomes and ultimately the financial wellbeing of our clients.

But where risks arise, opportunities may also emerge. For example, Foresight's investments in low carbon power generation infrastructure and afforestation projects help to mitigate climate change through respectively reducing and sequestering greenhouse gas (GHG) emissions.

2.1 Identifying market-wide and systemic risks

Foresight has long identified and responded to systemic risks through the integration of sustainability factors into stewardship processes and enterprise-level risk management. In 2025, we strengthened this approach through a refreshed Double Materiality Assessment (DMA), which provided greater clarity on how systemic risks manifest across the Group, taking account of investment geography, asset class, strategy objectives and time horizons. This reinforced our understanding that improved data, structured internal frameworks and collective initiatives are critical to identifying and assessing market-wide risks, particularly where direct influence over outcomes is limited. The DMA assesses:

1. Financial materiality: how external systemic trends such as climate change, biodiversity loss, anti-microbial resistance, geopolitical shifts or supply-chain fragility could influence long-term performance and resilience across our portfolios.
2. Impact materiality: how Foresight's investees, through their operations and value chains, may contribute to environmental or social outcomes, creating investee-specific risks and opportunities that are directly addressable through stewardship and asset management.

The DMA refresh highlighted our principal risks and opportunities as: climate change adaptation, energy and decarbonisation, biodiversity and ecosystems, human and labour rights in the value chain, corruption and bribery, cyber security and data governance, AI ethics and economic and social impacts on local communities. While some of these issues may aggregate into cross-economy structural challenges, they are managed through a combination of investee-level stewardship actions and, where appropriate, collaborative industry, market-wide and policy engagement (Table 1).

Table 1: Systemic risks identified through Foresight's refreshed Double Materiality Analysis (DMA)

Topic	Systemic risk	Opportunity for Foresight
Climate change adaptation	Physical climate impacts (extreme weather, water stress, heat) create economy-wide shocks that undermine long-term resilience.	Invest in adaptation-aligned infrastructure (water systems, distributed energy, resilient transport and nature-based solutions) to enhance portfolio resilience and support a climate-ready economy.
Human & labour rights in the value chain	Labour rights abuses create regulatory, reputational and operational shocks that can spread across sectors.	Use stewardship to strengthen supplier oversight, transparency and human rights practices, supporting resilient and future-proof business models.
Energy & decarbonisation	Transition policies, carbon pricing and physical risks affect all industries, with disorderly transitions creating market instability.	Allocate capital to renewables, storage, grid upgrades and efficiency, and promote credible transition plans through stewardship.
Corruption & bribery	Corruption distorts markets, weakens institutions and undermines trust, creating system-wide governance risk.	Promote strong governance, transparency and anti-corruption controls through stewardship to reduce systemic risk and support long-term value creation.
Biodiversity and ecosystems	Ecosystem decline disrupts food systems, supply chains and infrastructure, with tipping points creating irreversible shocks.	Invest in nature-positive solutions that protect ecosystem services and strengthen resilience to physical and supply-chain risks.
Cyber security & data governance	Weaknesses in shared digital infrastructure can cascade across sectors, disrupting financial systems and essential services.	Encourage robust cyber governance and resilience across investments to reduce systemic exposure and improve operational stability.

2. Promoting well-functioning markets

2.2 Macro stewardship: Addressing systemic risks

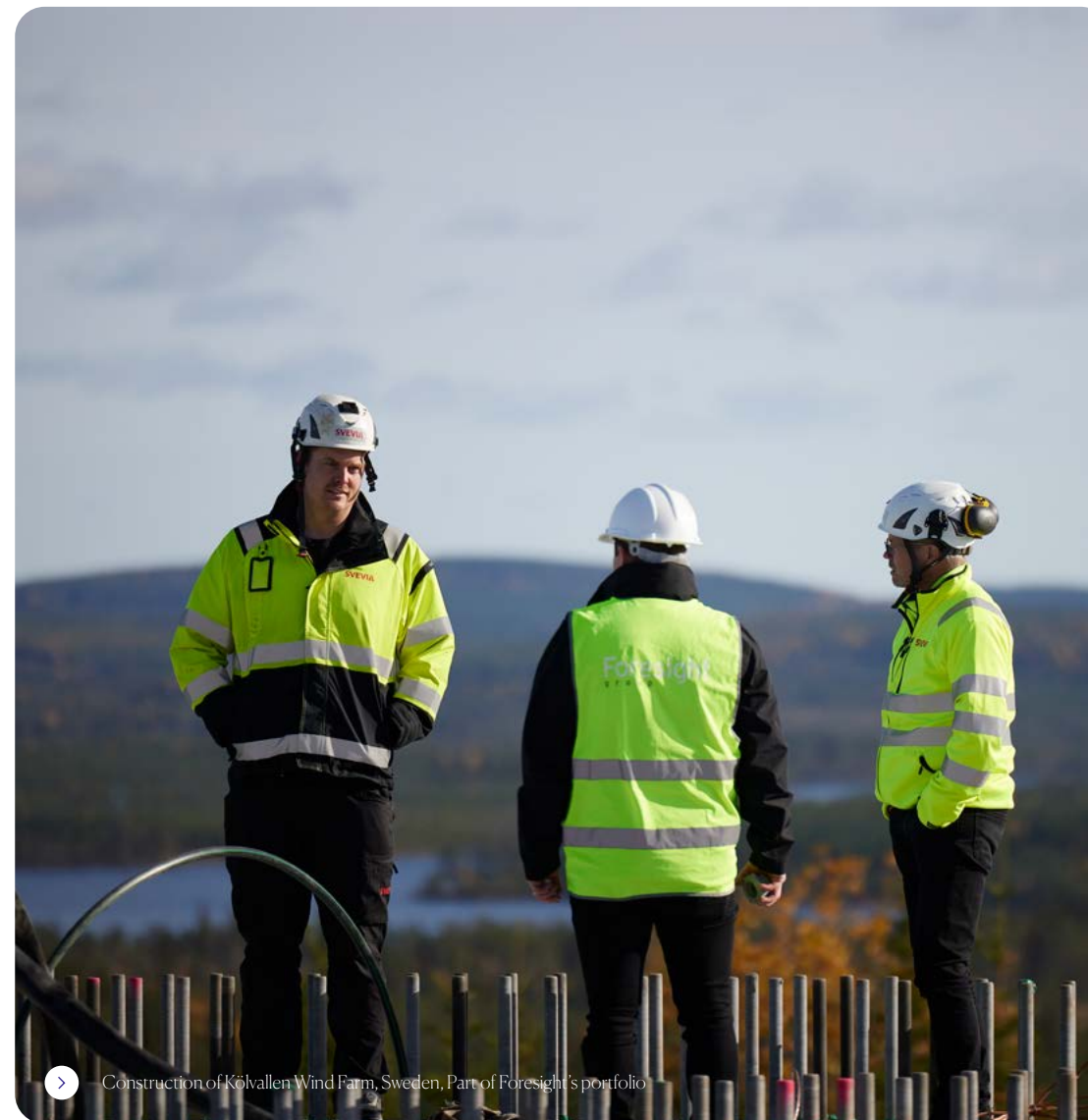
Macro-stewardship involves engaging with policy makers, regulators and standard-setters, often through industry bodies and collaborative investor initiatives, in order to influence the broader market, regulatory and data environment in which our assets operate. Through these channels, we seek to address the underlying drivers of systemic risk by supporting market rules, incentives, standards and disclosures that promote resilience, transparency and long-term sustainable value creation across the real economy.

Stewardship is a critical lever for addressing systemic and market-wide risks that affect the long-term functioning of financial markets. Where such risks arise from individual investee behaviour, Foresight prioritises direct engagement, escalation and voting at the investment level. This activity is described in more detail under Principle 3.

However, the nature of systemic risks means they are structural and cannot be mitigated through asset-specific engagement alone. We therefore complement our asset-level stewardship with targeted market-level engagement, which is known as ‘systems-level stewardship’ or ‘macro-stewardship’.

Participation in collaborative initiatives and industry platforms ensures Foresight to apply collective influence where action at scale is required, particularly where risks span sectors, geographies or entire value chains. These activities are selected based on their relevance to the systemic risks identified through our DMA and are used to complement, rather than replace, investment-level stewardship.

Macro-stewardship activities are further supported by upstream engagement with clients, advisers and asset owners to strengthen alignment on systemic-risk priorities and long-term market outcomes. While individual divisions may lead specific initiatives, participation in external associations, collaborative engagements and policy dialogues is centrally coordinated to ensure consistency, proportionality and alignment with our clients’ long-term interests.



Construction of Kølvalen Wind Farm, Sweden, Part of Foresight's portfolio

CASE STUDY 4

Managing Energy Market Systemic Risks via CEIG Participation (Australia)

Division: Real Assets

Background: Foresight invests in real assets that are directly exposed to market-wide and systemic risks associated with the energy transition, including grid congestion, policy instability and long-term system planning. These risks cannot be diversified away and have material implications for project viability, capital deployment timelines and long-term investment returns.

Objective: Our aim in participating in the Clean Energy Investor Group (CEIG) is to contribute to policy and regulatory settings that address these systemic risks. Improving grid access, connection processes and long-term energy system design supports better functioning markets and reduces transition related risks for our infrastructure investments.

Stewardship Activity: Through CEIG, relevant colleagues monitored emerging systemic risks and contributed to consultations and investor discussions on topics such as grid modernisation, connection queue reform and long-term energy service frameworks.

Our involvement is coordinated through existing stewardship processes and integrates insights from Real Assets due diligence and asset-management assessments. This ensures our contributions align with the systemic risks identified through our materiality analysis and with our investment exposures.

Outcome: CEIG's engagement helped ensure investor perspectives were reflected in several regulatory consultations concerning grid access and system planning. Internally, this strengthened our understanding of policy-driven systemic risks within the Australian energy market and supported the refinement of our real-asset stewardship priorities.



2. Promoting well-functioning markets

2.3 Systemic risks and stewardship levers

Different systemic risks require different stewardship responses. Climate and nature related risks are primarily addressed through a combination of capital allocation and collaborative investor engagement aimed at improving transition planning, resilience and disclosure at scale. We also engage with individual investments for whom these topics present a material risk or opportunity, as shown by Case study 13 covering an escalation on biodiversity at TRIG.

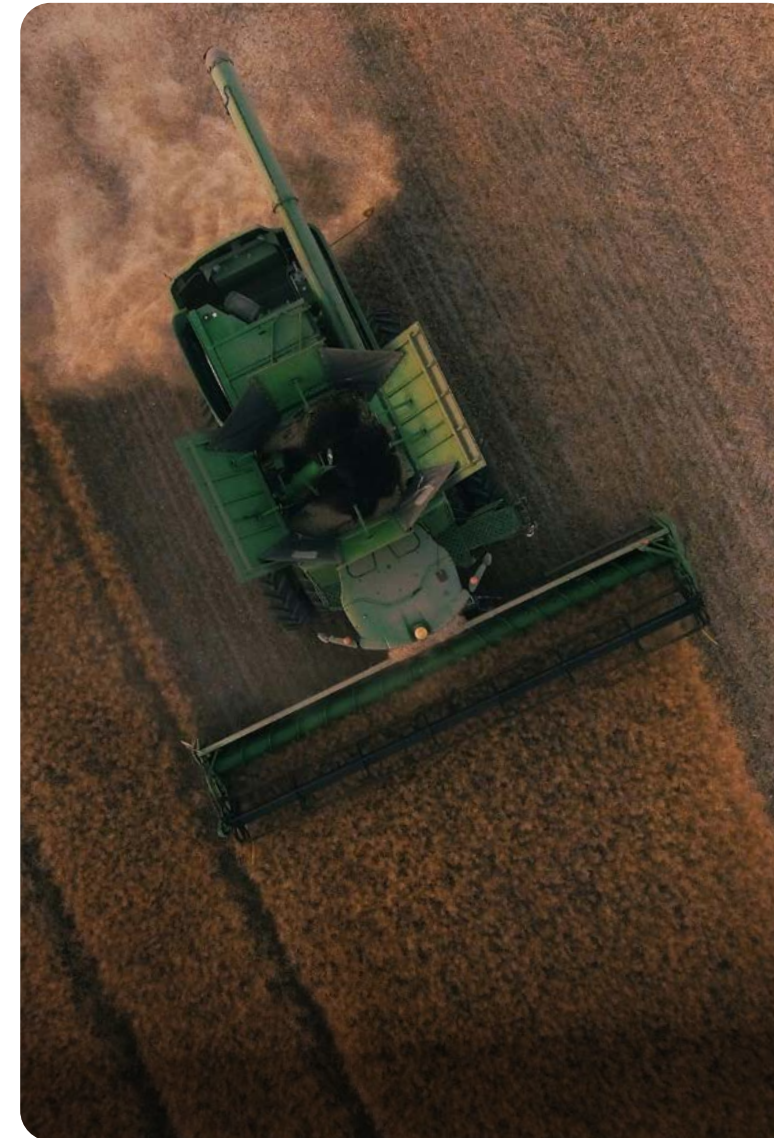
Risks related to human and labour rights, governance and market integrity are supported through engagement on corporate practices alongside participation in initiatives that promote common standards and responsible business conduct across markets (Case study 5). Cyber security and data governance risks are addressed primarily through governance focused engagement at the asset level, informed by participation in relevant industry forums and policy discussions. Across these themes, macro-stewardship is used selectively and proportionately to complement asset-level engagement.

An overview of the key collaborative initiatives, investor commitments and industry platforms through which Foresight supported market-level stewardship during 2025 is included in the Stewardship Data Pack (Section 7).

In addition to established collective initiatives, Foresight recognises that some market wide challenges require new frameworks where practice remains immature. One such gap is the measurement of social value in private markets, where inconsistent approaches limit comparability and decision usefulness. To address this, Foresight's Private Equity team is collaborating with The Good Economy to develop a place-based investing framework to evidence social value across portfolios. The work, led by the Private Equity team, is forward-looking and aims to strengthen market practice over time by improving transparency, consistency and stewardship-relevant insights.

2.3.1 Escalation and macro stewardship

We are committed to escalating stewardship where systemic risks cannot be adequately addressed through investee-level engagement alone. During the reporting period, we undertook escalation through coordinated policy and market-wide engagement, as illustrated in our case study on the UK Renewables Obligation Certificates (ROC) (Case study 6) consultation. In that instance, we escalated beyond dialogue with our investment holdings to direct engagement with policymakers and industry bodies to address a market-wide policy risk with implications for investor confidence and the stability of the UK renewables market.



CASE STUDY 5

Addressing systemic barriers to capital for women entrepreneurs through the Investing in Women Code

Division: Private Equity

Background: Persistent gender-based barriers to accessing capital represent a systemic market failure, resulting in inefficient capital allocation, distorted competition and reduced innovation. This is particularly evident in venture capital, where women-founded businesses receive a disproportionately small share of investment. These structural inefficiencies are relevant to our PE & Ventures strategies, as they can undermine the depth and quality of investable opportunities and the long-term functioning of private capital markets. In the UK, female-founded companies receive less than 2% of equity capital, despite strong performance evidence. In contrast, around 30% of companies in Foresight's UK and Ireland private equity portfolio are led by women, reflecting the reach of our place-based investment approach into founder networks often overlooked by traditional capital providersⁱ.

Objective: To respond to this systemic market failure by supporting more transparent, inclusive and efficient capital allocation within the entrepreneurial ecosystem.

Stewardship Activity: Foresight is a signatory to the UK government-led Investing in Women Code (IWC), a collective initiative designed to improve market transparency and accountability in the provision of finance to women-founded businesses. Through the IWC, we committed to senior-level accountability and annual disclosure of gender-disaggregated investment data. During 2025, teams across our PE & Ventures strategies have integrated consideration of gender-related risks and opportunities into due diligence and ownership.

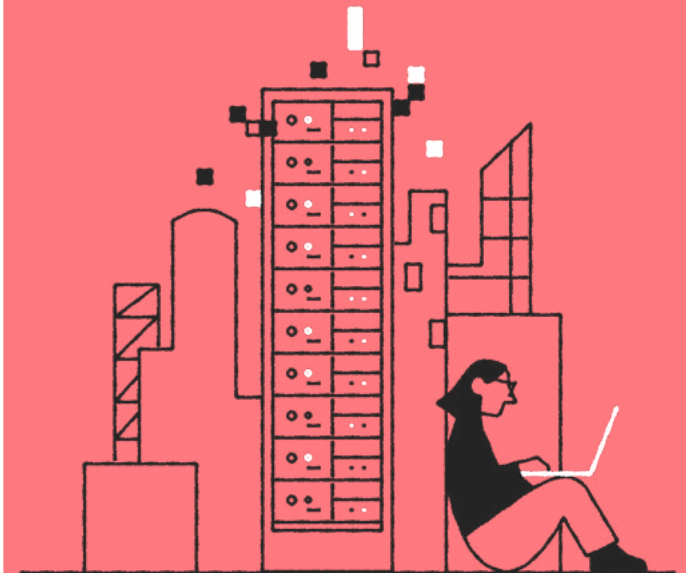
We monitored market-wide data on access to venture capital, including evidence that 35% of venture capital deals by Investing in Women Code signatories involved at least one female founder, compared with a UK market average of 27%ⁱⁱ. This contrast highlights both persistent structural under-representation across the wider market and the potential for improved outcomes where greater transparency and accountability are applied. At the portfolio level, we continued to identify and support high-performing women leaders, including:

- **Funding Xchange (FXE):** CEO and co-founder Katrin Herrling led significant commercial expansion and was named Innovator of the Year at the Women in Credit Awards 2025.
- **Mowgli:** Founder Nisha Katona scaled the business from three to fifteen sites in partnership with Foresight, creating over 500 jobs and delivering a 3.5x return on exit in 2023.

Outcome: Participation in the IWC strengthened our ability to identify and assess gender-related systemic risks during investment decision making and ongoing monitoring. It also informed more structured engagement with investees on equitable access to capital and the treatment of under-represented groups. These insights continue to shape our stewardship priorities and support better functioning, more efficient private capital markets.

i. <https://foresight.group/news-insights/insights/2026/embracing-dei-unlocking-the-opportunity-in-inclusive-investing/>

ii. <https://www.gov.uk/government/news/investing-in-women-code-closing-the-finance-gap>



CASE STUDY 6

Renewables Obligation Certificates (ROC): Addressing Systemic Risks in the UK Power Market

Division: Real Assets, FCM and Group

Background: The UK Renewables Obligation Certificates (ROC) scheme has been a key policy supporting renewable electricity since 2002. In 2025, the Government proposed changing how the ROC buy-out price is adjusted for inflation. Previously, it rose with the Retail Price Index (RPI), which increased subsidy costs for consumers. The Government consulted on two options: switching to the Consumer Prices Index (CPI), which would slow future increases, or temporarily freezing the price before restarting increases at a lower level.

Of these, a temporary freeze would have had a larger impact on the net asset value (NAV) of some renewable assets, as it would stop revenue growth immediately, whereas moving to CPI would only slow growth over time. Both options were seen as market-wide risks with potential implications for stability, investor confidence, and long-term investment in the UK energy transition. Between the two, the lower impact CPI option was preferable.

Given the market-wide nature of the risk and the limited ability for individual investments to mitigate it, we escalated our stewardship beyond company-level engagement to coordinated policy and market-wide action.

Objective: Our objective was to respond to the consultation in a way that both protected investor interests and supported the stability of the wider energy market. We aimed to advocate for a transition pathway that preserved policy credibility, avoided unnecessary disruption to renewable asset valuations and contributed to well-functioning renewable energy markets.

Stewardship Activity: Where investment-level engagement alone could not address the systemic nature of the risk, we escalated our stewardship through coordinated policy and market-wide engagement, alongside targeted dialogue with investees. We acted at two levels:

- **System-level action (policy and market-wide engagement):** We submitted a direct response to Government as Foresight Group, advocating for the option with the lowest NAV impact and the least disruption to renewable asset cashflows. We also sought to amplify this position through our involvement in UKSIF, helping ensure consistent industry messaging and supporting a coordinated response that reflected the systemic importance of stable renewable-support mechanisms.
- **Investee-level action (engagement):** In parallel, we also engaged with operators significantly exposed to ROC revenue, such as Greencoat UK Wind and TRIG, to understand their views and confirm that they were also responding to the consultation.

Insights from these discussions were integrated into our broader assessment of policy-driven systemic risks across our Real Assets portfolios.

Outcome: The Government has now concluded the consultation and in November 2025 confirmed the lower impact NAV option (switching from RPI to CPI indexation). While our strong preference was for no change to the scheme, we were relieved that the Government chose the less damaging of the two options. This change will take effect from April 2026.

This outcome demonstrates how escalating stewardship from investee-level engagement to coordinated policy engagement can influence market-wide outcomes where risks cannot be mitigated by individual companies acting alone. Internally, the process strengthened our ability to identify when escalation is required and reinforced how we leverage group-level capabilities to manage systemic risks while supporting a stable, well-functioning renewable energy market.



Burbo Bank wind farm, United Kingdom, part of Foresight's portfolio

3. Engagement

Principle 3: Signatories engage to maintain or enhance the value of assets.

3.1 Purpose of engagement

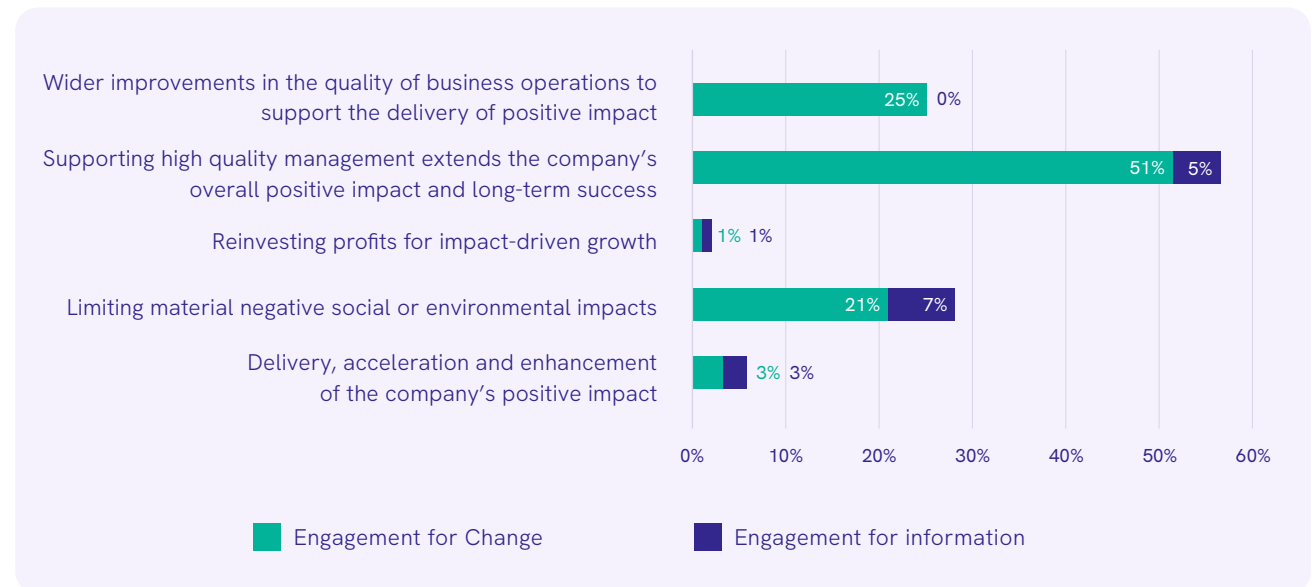
Engagement activities¹ support long-term value creation for clients by addressing material sustainability and governance risks or opportunities that could affect long-term performance and resilience. Engagement is therefore a core stewardship tool through which Foresight seeks to influence behaviours, decisions and outcomes that are material to investment performance over time, rather than as an end in itself. Engagement activities are undertaken with clear objectives, as set out in the Policy & Context Disclosure, and are intended to inform and enhance investment decision-making and stewardship oversight.

We engage for two complementary purposes. Engagement for change is undertaken where we identify specific risks or opportunities and seek tangible improvements in the underlying investee strategy, governance or practices, as illustrated by the MSA Safety case study (Case study 7). Engagement for information supports investment analysis by deepening our understanding of strategy, governance, culture, incentives and risk management, helping to inform decisions to invest, hold, avoid or exit. Insights from information-gathering engagements may also shape future engagement objectives, as illustrated by the Thermo Fisher Scientific case study (Case study 8).

Our preference to engage for change reflects the role engagement plays in delivering outcomes that matter for long-term value creation. For example, in 2025, the majority of engagement activity within the WHEB Strategy focused on strengthening management quality, operational performance and limiting negative impacts through behavioural change, with engagement for information accounting for a smaller but important share of activity (Figure 2)². This emphasis demonstrates how engagement is used to achieve outcomes rather than just improve disclosures.

We place particular emphasis on deep³, constructive engagement where dialogue is intended to drive tangible action and verification. These deep engagements represent some of our most impactful stewardship activity. In 2025, 55% of deep engagements within the WHEB Strategy focused on climate action, reflecting the portfolio’s net-zero carbon commitment and the material importance of climate transition to long term value creation for clients. The prioritisation of engagement activity across the portfolio reflects this purpose and is described below.

Figure 2: 2025 Engagement in the WHEB Strategy emphasised engagement for change



1. Engagement definition and framework set out in the Policy & Context Disclosure under section C.2.

2. Further detail on engagement activity across other FCM funds is included in Section 7.

3. Deep engagements are those that have progressed beyond disclosure and have resulted in a company committing to a strategy or demonstrating evidence of effective implementation, corresponding to Milestones 3 or 4 in the WHEB engagement framework.

3. Engagement

3.2 The Stewardship Engine

During 2025, following the acquisition of WHEB Asset Management and as part of the integration of the WHEB Impact Strategy into Foresight Capital Management (FCM), it was agreed to adopt the WHEB Stewardship Engine framework across all FCM public equity strategies, as described in the Policy & Context Disclosure. Implementation of this framework is underway and supports greater consistency in how engagement objectives are identified, set, monitored and escalated as well as improving consistency in how we report on this activity across all FCM funds.

As this reporting period reflects the first year of adoption, WHEB Strategy evidence provided in Section 3 as the most complete illustration of the model in practice, while broader FCM engagement data is reported in aggregate form for transparency and completeness under section 7. This report also focuses on describing the approach and initial application, with further evidence of effectiveness expected to be reported as implementation matures.

3.3 Prioritisation

Across Foresight, engagement priorities are identified through divisional investment processes and tailored to asset class, strategy objectives and ownership model. Prioritisation is informed by bottom-up assessments of the financial materiality of issues for individual investments (Case study 7), complemented by top-down thematic priorities (Case study 9), emerging risks (Case study 8) and our assessment of systemic and market-wide risks, including insights from the Group-level Double Materiality Assessment described under Principle 2.

Although priorities are defined at the level of individual holdings, themes such as climate action and biodiversity and nature loss recur across our portfolios, reflecting their consistent materiality

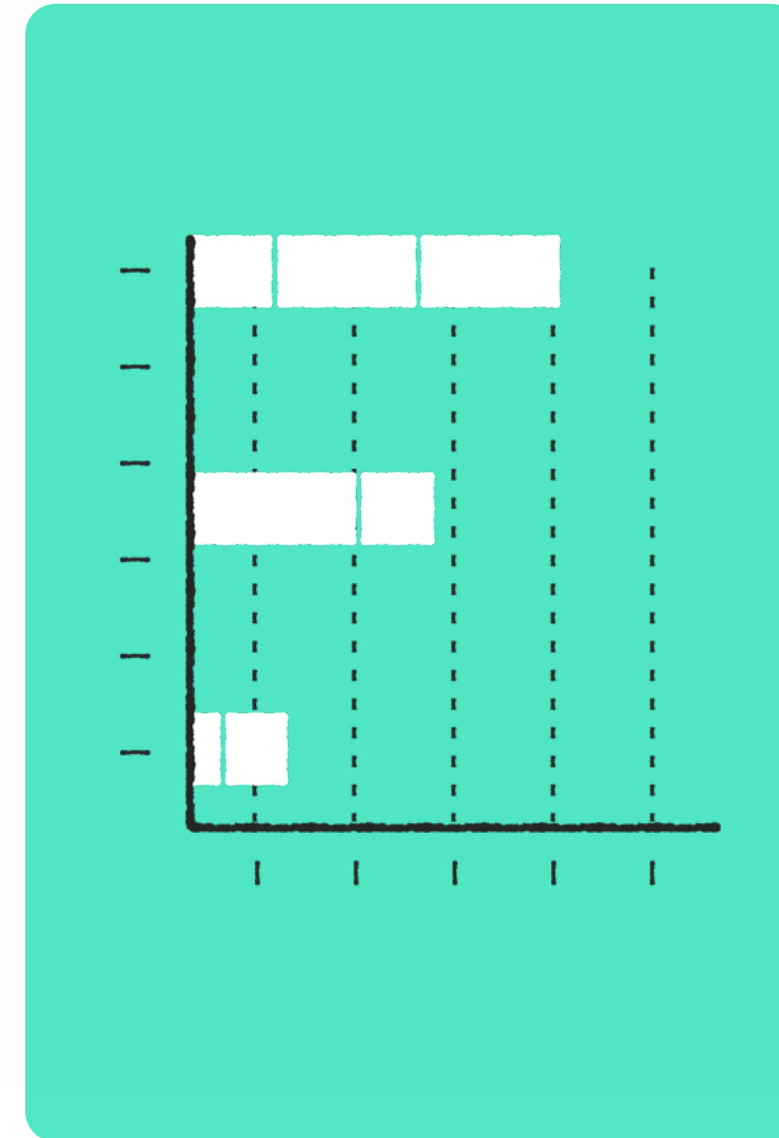
3.3.1 Public markets

Within FCM, engagement priorities are identified through close collaboration between investment analysts and the Sustainability Team, ensuring sustainability and governance considerations are integrated alongside financial analysis. Material risks identified through pre-investment analysis inform the initial focus of engagement and are reviewed throughout the holding period in response to asset performance, engagement progress and evolving risks.

For the WHEB Impact Strategy, stewardship responsibilities are embedded within analysts’ day-to-day roles and prioritisation is further supported by considering the severity of the issue.

Where an issue is material across a significant proportion of the portfolio, we assess the severity of a single, relevant metric at portfolio level to identify the companies for which the issue represents the most significant risk or opportunity. For example, in the case of climate, we identify the portfolio’s ten highest emitters based on financed Scope 1 and 2 emissions (market-based). This is complemented by a proprietary scorecard assessing the strength of management focus and performance in delivering emissions-reduction strategies. Lower scores highlight areas where focused engagement is likely to be most effective and where clear, outcome-oriented objectives can be set, as covered in detail in Case study 9.

In this way, the scorecards support engagement prioritisation by identifying where financially material sustainability risks and opportunities are most acute, helping to focus engagement both on the issues most likely to affect long-term asset performance and resilience, and on the specific areas where improvement is most needed. We aim to apply the scorecards across additional FCM strategies during 2026.



CASE STUDY 7

Deep, constructive engagement for change: MSA Safety on PFAS phase-out

Division: FCM (WHEB Strategy)

Background: MSA Safety, a leading manufacturer of firefighter turnout gear, faced increasing regulatory and litigation risk due to the use of per- and polyfluoroalkyl substances (PFAS) to provide oil and water resistance. PFAS are persistent in the environment and linked to significant human health impacts, creating material long-term risks for both society and the company.

Objective: Full, time-bound commitment to phase out PFAS from firefighter protective equipment, develop safer alternatives and strengthen MSA Safety's long-term resilience and competitive position.

WHEB Investor Objective: Advocating to reinvest profits in further growth and directing other sources of capital to activities (e.g., R&D) to increase positive impact.

Stewardship Activity: Over more than five years, WHEB undertook sustained, constructive engagement with MSA Safety's senior management and technical teams. Engagement combined written communication with direct dialogue involving investor relations, legal and corporate social responsibility (CSR) functions.

Initial engagement in 2021 focused on understanding PFAS use in turnout gear and the company's ability to influence suppliers. Limited follow-up and unclear timelines led WHEB to escalate engagement in 2023 through more senior dialogue, pressing for defined phase-out pathways, transparency on regulatory and litigation risks, and clarity on technical constraints.

As MSA Safety relied on third-party material suppliers, engagement subsequently focused on monitoring progress in supplier innovation, testing and certification, and the company's advocacy for the development of PFAS-free alternatives to meet safety standards.

In later stages, engagement shifted from seeking immediate commitments to tracking enabling conditions for phase-out and signalling expectations around public commitments and disclosure as technological barriers reduced.

Outcome: Milestone 3 – Company has developed, or committed to develop, appropriate processes to manage the issue.

In August 2025, MSA Safety confirmed the launch of PFAS-free alternatives for firefighter turnout gear. This marked a significant strategic shift, demonstrating that a previously material environmental and health risk had been addressed through innovation rather than mitigation alone. The transition reduces regulatory and litigation exposure, responds to firefighter and customer concerns, and strengthens the company's competitive positioning as standards evolve. This case illustrates how sustained, escalation-ready engagement can support long-term value creation alongside meaningful environmental and health outcomes.



3. Engagement

3.3.2 Private markets

In Real Assets and Private Equity, engagement priorities are identified through sustainability screening and ESG due diligence at acquisition and refined throughout the investment lifecycle. This acquisition-led approach is illustrated by the Glaister’s Bridge Community Woodland (Case study 1) where biodiversity and governance risks identified at acquisition shaped long term stewardship priorities and engagement through ownership and governance structures. Priorities may also evolve over time, as shown by the Kølvangen case study (Case study 10), where construction-phase environmental risks informed engagement priorities during development.

In Real Assets, engagement priorities are translated into investment-level initiatives and overseen through active asset management and established governance structures. In Private Equity, insights from due diligence inform priorities set through the 100 day plan and are reviewed through ongoing Board level engagement.

In 2025, all new Private Equity investments were subject to ESG due diligence and a documented 100-day plan setting initial stewardship priorities, while sustainability considerations were embedded within ongoing Board level oversight across the portfolio, where Board seats are held. Sustainability screening and ESG due diligence were also applied to 100% of in scope Real Assets acquisitions, reflecting the integration of stewardship considerations at the point of investment.

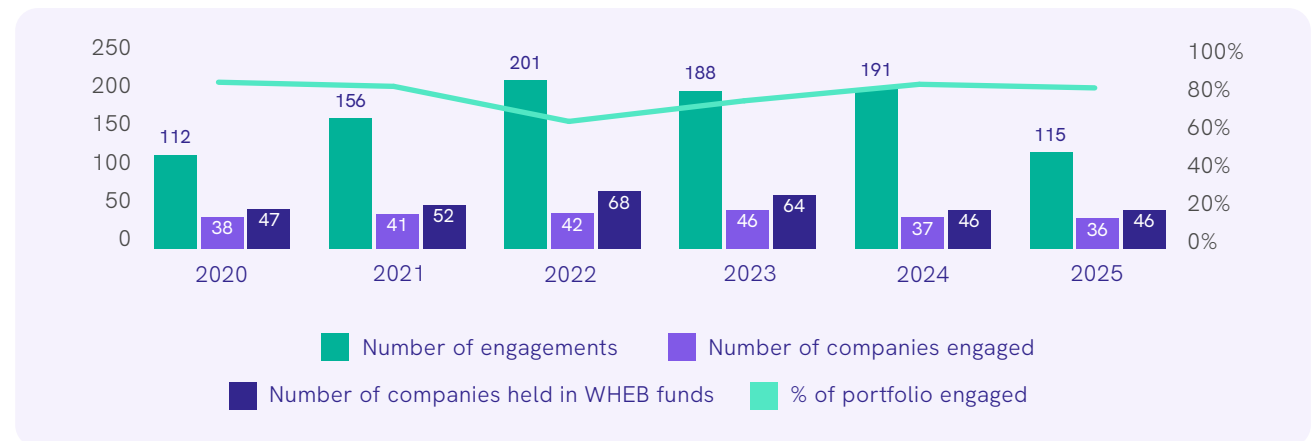
3.3.3 Allocation of engagement effort

Engagement activity is prioritised based on materiality and potential impact, rather than seeking to engage every holding in every year. In practice, engagement resources are directed towards assets and companies presenting the most significant sustainability, governance or system-level risks or opportunities for long-term value creation. This is reflected in the level and distribution of engagement activity across the WHEB Strategy over time (Figure 3).

A focus on deep, constructive engagement also influences how engagement effort is allocated. Deep engagements are resource intensive and typically extend beyond disclosure to support tangible action and verification. In 2025, 55% of deep engagements within the WHEB Strategy focused on climate action, reflecting the material importance of climate transition risks and opportunities to the portfolio.

As a result, engagement activity varies year-to-year and across the portfolio. Periods of lower aggregate engagement volume reflect a deliberate focus on deeper, targeted engagement on material issues, alongside ongoing monitoring of lower-risk holdings. Where issues are assessed as immaterial, or where prior engagement objectives have been met, we may not engage actively in a given year, while retaining the ability to re-engage should circumstances change.

Figure 3: Level of engagement activity across the WHEB Strategy 2020-2025¹



1. The dip in engagement in 2022 reflects WHEB’s transition to managing the iMGP Sustainable Europe Fund in July 2022, which added 10 additional holdings.

CASE STUDY 8

Engaging for information to assess legacy risk management and governance at Thermo Fisher Scientific

Division: FCM (WHEB Strategy)

Background: In September 2025, Sustainalytics re-flagged a Human Rights Norms Alert for Thermo Fisher following renewed media scrutiny of DNA-based identification technologies used in China. Although Thermo Fisher was one of several companies referenced, the article drew attention to historic marketing materials and raised concerns around potential end use in sensitive jurisdictions. WHEB initiated engagement to test the accuracy of these claims and understand how related risks are currently managed.

Objective: To clarify claims raised in a September 2025 Associated Press investigation and assess Thermo Fisher's governance, monitoring and controls relating to Human Identification (HID) technologies.

WHEB Investor Objective: To limit material negative social impacts by promoting robust governance and oversight of products with potential human rights risks.

Stewardship Activity: WHEB met with Thermo Fisher's Investor Relations team to discuss product design, legacy risks and governance arrangements. Thermo Fisher confirmed that HID products are designed for individual forensic identification only and cannot determine ethnicity, with regional optimisation used solely to improve accuracy.

The company stated that sales of HID products into China ceased in 2019 and that no consumables are supplied to legacy equipment still in use. Since then, oversight has been strengthened through enhanced sales monitoring and ethical review by internal Science & Technology and Bioethics Committees. Thermo Fisher also noted ongoing engagement with Sustainalytics where possible.

Outcome: Milestone 3 – Company has developed, or committed to develop, appropriate processes to manage the issue.

The engagement improved our understanding of Thermo Fisher's product capabilities, governance and management of human rights risks, reducing uncertainty around historic concerns. The clarification provided evidence of strengthened oversight since 2019, supporting a decision to hold the investment.

While residual risks remain, particularly in relation to legacy equipment and limitations on monitoring end use in high-risk jurisdictions, these risks appear to be actively managed. WHEB will continue to monitor developments, with a focus on product communications, regional oversight and external human rights assessments, and would consider escalation should controls prove ineffective.



CASE STUDY 9

Climate engagement with high-emitting companies (2025)

Division: FCM (WHEB Strategy)

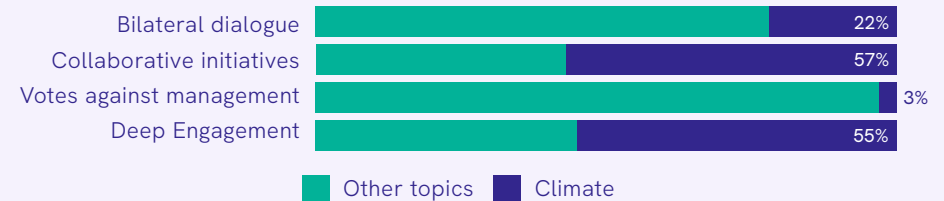
Objective: Under our previous involvement in the Net Zero Asset Managers Initiative (NZAMI), WHEB committed to achieving net zero emissions across 100% of investable assets by 2050 or soonerⁱ. Stewardship in this area focuses on encouraging portfolio companies to adopt credible net-zero targets and to implement near-term actions that reduce absolute greenhouse gas emissions, in support of long-term value creation and portfolio resilience.

Prioritisation: Financed emissions within the strategy are concentrated in a small number of holdings. In 2025, approximately 94% of Scope 1 and 2 financed emissionsⁱⁱ were attributable to the top ten emitters. This concentration informed our prioritisation of engagement efforts, focusing stewardship resources on companies where emissions reductions are most material to portfolio risk and long-term performance. Prioritisation is further informed by WHEB's Net Zero Carbon Scorecard, which assesses 'management priority' on climate action and identifies companies requiring more intensive stewardship, including progression to deep engagement. Prioritisation directly informs the deployment of stewardship resources and escalation tools. In 2025, climate-related issues accounted for 55% of all deep engagements, reflecting the strategic importance of climate risk within the Strategy.

Engagement approach: Climate engagement was delivered through a combination of direct dialogue, collaboration and selective voting, with engagement channels and escalation routes reflecting company-level prioritisation and the nature of identified climate risks.

Collaborative engagement represented the largest share of climate activity (57%), reflecting the systemic nature of climate risk and the benefits of collective investor action. Climate considerations featured to a lesser extent in votes against management, as most votes against are driven by governance issues, consistent with our voting policy and escalation framework. While objectives are tailored to individual company contexts, climate engagements consistently focus on three overarching asks:

1. strengthen governance oversight of climate risks;
2. encourage credible, time-bound transition plans; and
3. support near-term actions to reduce absolute emissions alongside longer-term commitments.



CASE STUDY 9 CONTINUED

Company-level examples (2025)

Smurfit Westrock

Management Priority: 59%

Absolute Emissions 10,926,000 tCO₂e

- Smurfit Westrock is a leading manufacturer of recycled cardboard packaging
- **Objective:** Delivery, acceleration and enhancement of the company's positive impact by achieving climate and nature-aligned decarbonisation, including absolute emissions reductions and renewed SBTi validation for the merged entity.
- **Activity:** Engagement was undertaken through direct dialogue and collaboration via Nature Action 100, focusing on renewed Paris-aligned SBTi validation, interim milestones within the 2025 Net Zero Transition Plan and accelerated operational delivery through energy efficiency, electrification and fuel switching.
- **Outcome: Milestone 3 – Company develops or commits to develop an appropriate policy or strategy to manage the issue.** This reflects the publication of a credible transition plan and tangible capital investment, including a new biomass boiler at the Cali mill expected to reduce global Scope 1 and 2 emissions by approximately 100,000 tCO₂e. Further progress on absolute emissions reductions and SBTi alignment will be key to advancement to Milestone 4.

First Solar

Management Priority: 66%

Absolute Emissions 936,044 tCO₂e

- First Solar is a US-based manufacturer of thin-film solar photovoltaic (PV) modules, supplying utility-scale and commercial power plants globally, with manufacturing operations in the US, India, Malaysia and Vietnam.
- **Objective:** Delivery, acceleration and enhancement of the company's positive impact by supporting Paris-aligned decarbonisation, accelerated progress on Scope 1 and 2 emissions, improved hazardous chemical management and enhanced transparency on recycling outcomes.
- **Activity:** Engagement was undertaken collaboratively through the Investors for Sustainable Solar initiative, including a group call with First Solar's Head of ESG and Sustainability and Investor Relations team. Engagement focused on accelerating renewable energy procurement to reduce Scope 2 emissions, improving energy efficiency to manage growth-related emissions, and strengthening disclosure on hazardous chemicals and recycling effectiveness.
- **Outcome: Milestone 4 – Company provided evidence that the issue is being managed in line with policy or strategy.** First Solar has achieved SBTi validation of near and long-term targets, published a carbon reduction roadmap and committed to 100% renewable electricity by 2028.

While absolute Scope 1 and 2 emissions are rising due to rapid expansion, the company is reducing emissions intensity through efficiency measures and exploring further renewable procurement, including power purchase agreements. Progress was also made on chemical governance, with policies under review and increased transparency on recycling, with disclosure expected to improve as end-of-life volumes increase post-2030.

Progress, outcomes and effectiveness

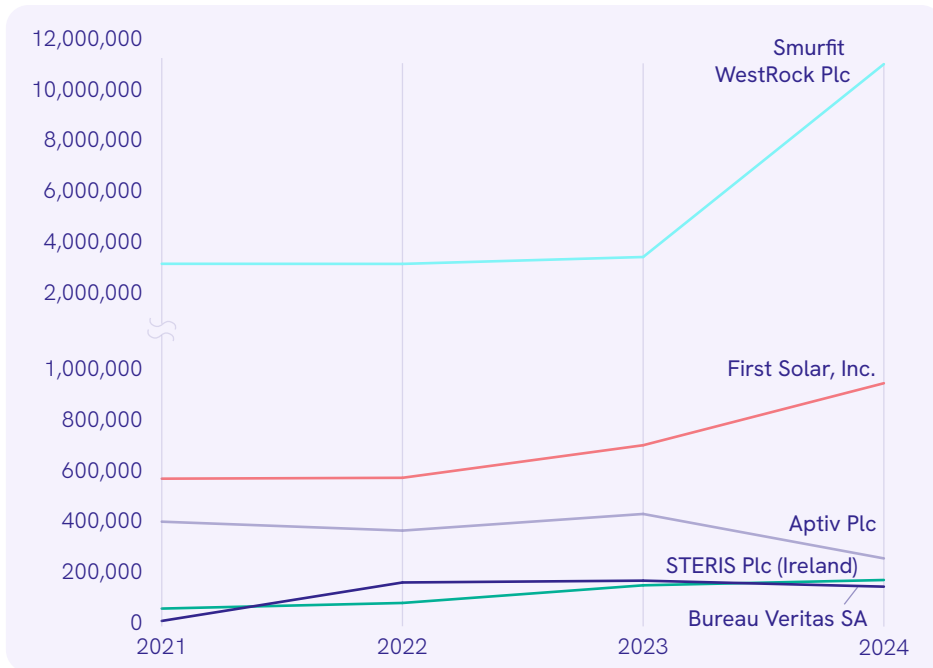
Across all climate-related engagements during the reporting period, progress varied by company and objective. Around 45% of companies reached Milestones 3 or 4, while others remain at earlier stages of engagement. This distribution reflects both the multi-year nature of climate transition engagement and a deliberate focus on progressing priority engagements beyond disclosure towards credible strategy development and early evidence of implementation.

In addition to tracking progress against engagement objectives using the milestone framework, we monitor financed emissions and changes in management-priority scores over time. At the individual investment-level, financed emissions trends are mixed. Several companies show an improved, downward trajectory over the period (e.g., STERIS, Bureau Veritas), while others display more volatile or upward movements, driven by increased demand for products and services (First Solar) or acquisitions (Smurfit Westrock). Monitoring these company-specific trends enables more targeted engagement where absolute emissions remain high or where progress is lagging.

CASE STUDY 9 CONTINUED

Company level examples (2025)

Financed Scope 1-2 emissions of top WHEB emitters (2021-24)ⁱⁱⁱ



Improvements in management-priority scores are often observed earlier than reductions in absolute emissions and can act as leading indicators of future change. However, progress is not always linear. For example, Smurfit WestRock’s management-priority score declined in the most recent year following post merger reassessment of legacy commitments.

We remain cautious in attributing outcomes directly to our stewardship activity. However, this approach allows us to assess our contribution to observable changes while avoiding overstatement.

Change in WHEB Strategy top GHG emitters ‘management priority’ scores over time (climate)



- i. This commitment was made when WHEB Asset Management was a signatory to the Net Zero Asset Managers initiative (NZAMI). Following the acquisition of WHEB by Foresight Group in 2025, WHEB’s NZAMI signatory status was withdrawn, reflecting the initiative’s requirement for commitments to be held at the legal entity level. Notwithstanding this change, the portfolio-level net zero commitments made under NZAMI remain in place and continue to guide our approach to climate stewardship, target-setting and engagement across relevant strategies.
- ii. Financed emissions represent the share of a company’s Scope 1 and Scope 2 greenhouse gas emissions that is attributed to an investor based on its ownership stake. We use Scope 1 & 2 emissions data to calculate financed emissions because these are the emissions most directly in the company’s control. Scope 2 emissions are calculated using a market-based methodology.
- iii. Data is reported as 2024, reflecting the most recent company-reported information available at the time of analysis.

CASE STUDY 10

Reducing the environmental impact of construction at KølvalLEN

Division: Real Assets

Background: KølvalLEN is a 277MW onshore wind farm in Sweden, acquired for development in 2022, where the scale and duration of the construction phase made construction-related environmental impacts a key stewardship consideration.

During sustainability screening and ESG due diligence undertaken ahead of acquisition, the environmental impacts associated with the construction phase at KølvalLEN were identified as a material risk. Given the scale of the onshore wind development and the sensitivity of construction-phase emissions, resource use and local disturbance, these impacts were assessed as having the potential to affect regulatory compliance, community relations and the long-term resilience and value of the asset if not actively managed.

Prioritisation decision: Given the materiality of construction-phase impacts to both environmental outcomes and long-term asset value, Foresight prioritised construction standards and contractor practices as core stewardship objectives from the point of acquisition. These issues were embedded into engagement priorities alongside financial and operational considerations, acknowledging the limited opportunity to mitigate construction impacts once build activities were underway. Construction-related environmental risks were therefore embedded into stewardship priorities at acquisition and carried through the construction phase.

Engagement and stewardship activity during 2025:

Construction activity at KølvalLEN continued during the first half of 2025, and engagement on environmental performance remained an active stewardship priority throughout the year. The site reached Commercial Operation Date in May 2025.

Throughout construction, Foresight used its ownership and governance rights to engage with project partners and contractors on construction methods, environmental controls and site-level management practices, with a focus on mitigating emissions, minimising disturbance and managing environmental risks as construction progressed. This included setting clear expectations and oversight in relation to:

- the use of grid-sourced electricity in place of conventional diesel generators for construction activities;
- the procurement of Electric Arc Furnace (EAF) steel, incorporating approximately 95% recycled content, to reduce embodied carbon;
- onsite quarrying of gravel and aggregate and onsite concrete batching, significantly reducing transport requirements and associated emissions.

Oversight of construction-phase impacts formed part of ongoing asset-level governance and monitoring during the reporting period, ensuring that environmental considerations remained integrated into decision-making as the project advanced.

Outcomes and learning: As a result of these measures, construction at KølvalLEN achieved a 54% reduction in overall construction-related emissions compared with conventional remote windfarm construction methods. Emissions reductions were delivered across key materials and activities, including power use, steel, aggregate and concrete, demonstrating the impact of early and sustained stewardship focus during the construction phase.

Continued engagement during 2025 reinforced the value of identifying and prioritising construction-phase environmental risks at acquisition and maintaining active stewardship throughout the build phase. Learning from the KølvalLEN project has informed Foresight's broader Real Assets approach, supporting more consistent prioritisation of construction-related environmental risks and the integration of sustainability considerations into project planning and delivery across other developments.



> KølvalLEN wind farm, Sweden, part of Foresight's portfolio

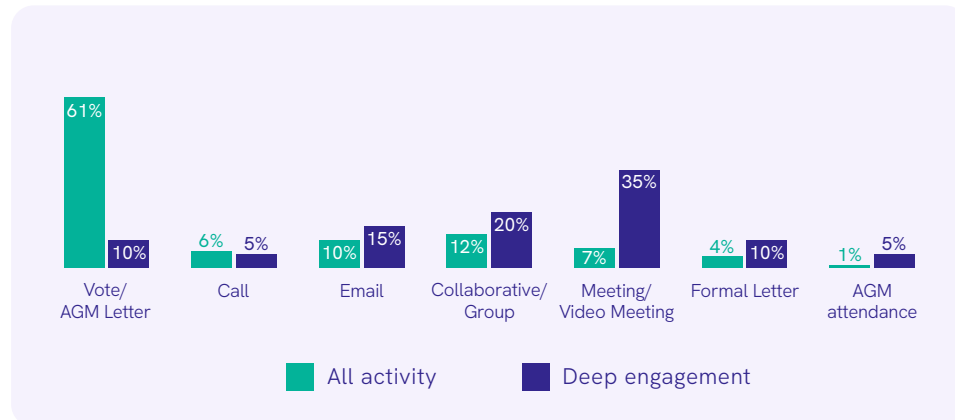
3. Engagement

3.4 Methods of engagement

Engagement methods vary by asset class and ownership structure. We apply methods proportionately, reflecting the rights and influence associated with each holding, as set out in the Policy & Context Disclosure.

Framing engagement around a company’s long-term success supports constructive dialogue with management and helps align engagement on financially material issues. In public markets, engagement is conducted primarily through direct dialogue, collaborative initiatives and, where appropriate, voting. While activity volume provides context, the most impactful work is reflected in deep engagements (those that progress beyond disclosure to drive tangible action and verification). In 2025, around 61% of engagement activity volume in the WHEB Strategy was driven by voting and related communications while deep engagements relied predominantly on interpersonal methods such as meetings, calls and collaborative initiatives (Figure 4). Further detail on engagement methods used across FCM funds (excluding WHEB) is included in Section 7.

Figure 4: Voting drives engagement volumes but deep engagement relies on interpersonal methods



In private markets, engagement is exercised primarily through ownership and governance rather than discrete interactions. Table 3 shows how engagement methods are embedded across the investment lifecycle for Real Assets and Private Equity, demonstrating how stewardship is integrated into acquisition, ownership, oversight and exit processes.



3. Engagement

Table 3: Engagement methods by asset class (2025)¹

Stewardship stage	Embedded engagement mechanism	What this evidences	Real Assets (RA)	Private Equity (PE)
Pre-investment	Asset-specific pre-investment engagement planning	Early identification and prioritisation of engagement objectives	100% of in-scope acquisitions assessed for EU Taxonomy eligibility ² and alignment potential, informing transition and engagement planning	100% of new investments undergo a documented pre-investment ESG assessment, informing post-acquisition engagement priorities and 100-day value-creation plans
Early ownership	Structured post-acquisition engagement framework	Time-bound, structured engagement following acquisition	100% of operational real assets have asset-level ESG and operational key performance indicators (KPIs) embedded into day-to-day management, enabling ongoing engagement, challenge and oversight	100% of eligible investments have post-acquisition ESG KPIs and value-creation milestones embedded into 100-day plans and ongoing board reporting
Governance leverage	Board/observer seat or equivalent governance rights	Ongoing, direct engagement through ownership and decision-making	93% of portfolio	100% of Growth and Buy-out; 90% of Ventures
Agenda integration	Sustainability as a standing board/governance agenda item	Integration of engagement into routine oversight	21% ³	44% of portfolio in Growth and Buyout funds
Ongoing monitoring	Annual ESG/stewardship assessment and KPI review	Recurring monitoring, challenge and escalation	100% of operational real assets subject to annual ESG and stewardship performance review, including KPI assessment and escalation where required	100% of portfolio in Growth and Buyout funds
Exit/value realisation	Buyer-ready sustainability/KPI information	Engagement carried through to exit and value realisation	100% of exits where sustainability and performance data is provided to buyers	100% of exits provided sustainability and performance data to buyers

1. Private-markets metrics represent coverage of different engagement mechanisms and are not mutually exclusive; percentages therefore do not sum to 100%.

2. For Real Assets, pre-investment engagement planning is evidenced through EU Taxonomy eligibility and alignment assessments, which are used to identify asset-specific transition actions, governance requirements and post-acquisition engagement priorities.

3. Estimated figure, based on internal assessment using available disclosures and engagement records. We aim to report a more precise figure in future reporting periods as underlying data quality improves. All boards cover health and safety items as standard.

3. Engagement

3.5 Collective engagement

Collective engagement is used selectively where collaboration can most effectively address systemic risks or reinforce company-level objectives. For example, Foresight undertook collective engagement to strengthen investment-level decision-making, as illustrated by the Skaftåsen Nature Recovery Blueprint case study (See Case studies 11 and 12).

In 2025, collective engagement accounted for 12% of engagement activity and around a fifth of deep engagements in the WHEB Strategy, reflecting its targeted use to where it is most effective. This included active participation in initiatives such as the Net Zero Engagement Initiative (NZEI)¹, Climate Action 100+, the Investor Initiative on Hazardous Chemicals (ChemSec)² and Nature Action 100³, alongside broader system-level engagement through partnerships such as the Eden Partnership and adoption of the City Hive ACT framework. Engagement is focused on areas where we can remain actively involved and add value.

Within this group-wide approach, WHEB provides a long-established public markets capability, using collective engagement to escalate or reinforce objectives where appropriate, with current participation under review to ensure consistency and governance alignment across Foresight Group (Figure 5).

Figure 5: A long-standing commitment to collective action across the WHEB Strategy



1. <https://www.whebgroupp.com/schneider-electric>
 2. Case study available on website: <https://www.whebgroupp.com/ecolab-q1-2025-engagement-case-study>
 3. Case study available on website: <https://www.whebgroupp.com/smurfit-westrock-2025-engagement-case-study>

CASE STUDY 11

Collective engagement through the UKSIF Biodiversity Forum

Division: Real Assets

Background: Nature loss and biodiversity decline present systemic risks to long-term asset values, particularly for land-based and infrastructure investments. Given evolving methodologies and data limitations, engagement through collaborative investor forums is an important mechanism for improving the consistency and effectiveness of stewardship approaches.

Objective: The objective of this engagement was to contribute to, and learn from, industry-wide discussions on the financial materiality of nature and biodiversity, and to apply shared insights to the prioritisation and design of stewardship activity within Real Assets strategies.

Stewardship activity: Foresight Real Assets' Sustainability team engaged actively through participation in the UKSIF Biodiversity Forum, contributing to discussions on integrating biodiversity considerations into investment and stewardship practices. Sessions focused on assessing the financial materiality of nature loss, the availability and adoption of biodiversity-related tools and emerging methodologies, including the role of AI in nature and biodiversity assessments.

Outcome and follow-up: The engagement informed Foresight's ongoing development of stewardship approaches related to nature and biodiversity, supporting internal decision-making on data availability, tool selection and engagement prioritisation. Insights from the Forum have been used to refine how biodiversity considerations are incorporated into engagement planning across relevant real assets portfolios, contributing to more consistent and informed stewardship activity. This engagement will continue in 2026 as methodologies and data availability evolve.

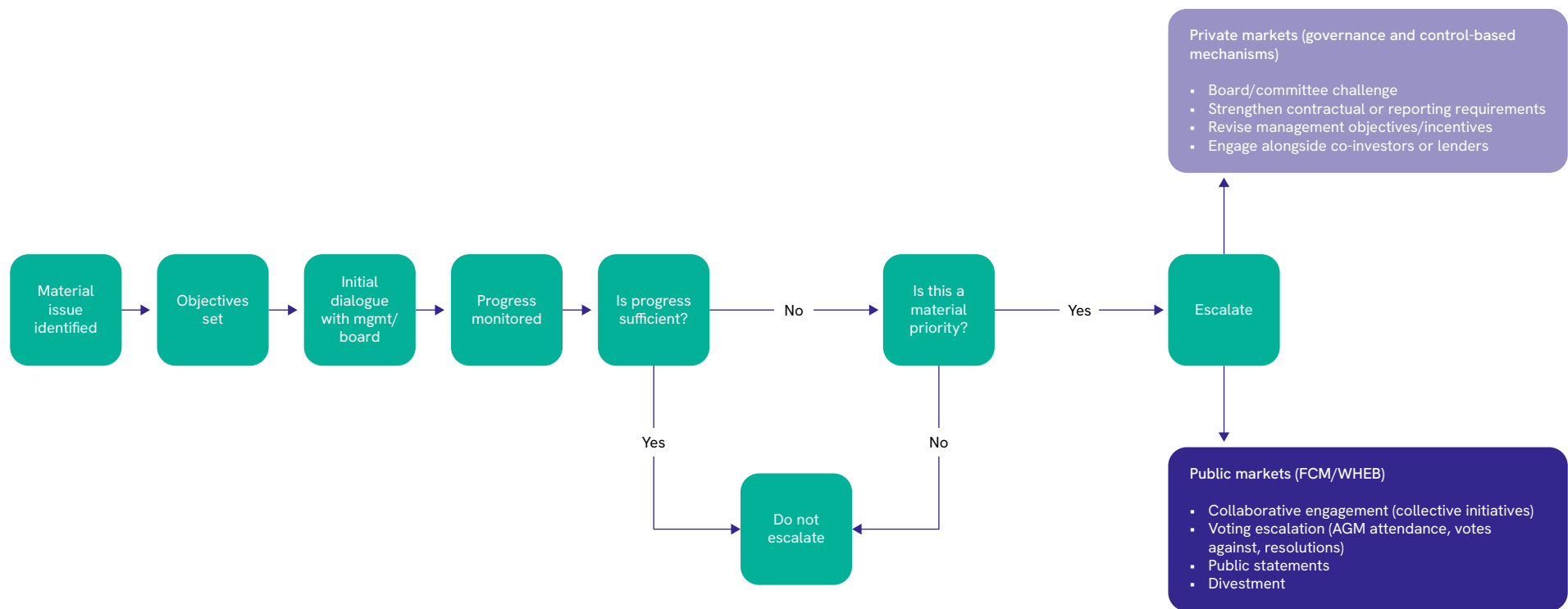


3. Engagement

3.6 Escalation of bilateral engagement

Across Foresight Group, we escalate engagement where initial dialogue does not achieve sufficient progress on material sustainability or governance issues. During the reporting period, this framework (Figure 6) was applied across public and private market engagements (Case studies 13 and 14), including cases where voting and governance rights were used to reinforce engagement objectives.

Figure 6: Decision framework for engagement and escalation



CASE STUDY 12

Collective engagement to develop a Nature Recovery Blueprint for Skaftåsen

Division: Real Assets

Collective engagement method applied: In certain circumstances, Foresight undertakes collective engagement where collaboration with external organisations enhances the effectiveness and credibility of stewardship activity. At Skaftåsen, Foresight is currently engaging collectively with Arise (operations and maintenance), local community representatives and the primary landowner, Stora Enso, to support the development of a site specific Nature Recovery Plan (NRP). This process also serves as the foundation for the co-development of a Nordic Nature Recovery Blueprint (NRB), which is intended to be jointly developed with key stakeholders and applied across other Nordic assets within the fund. This reflects a shared interest in improving biodiversity outcomes at Skaftåsen and across the wider Nordic landscape. A significant proportion of the foundational work to inform this engagement, including initial desk-based surveys, baseline assessments and scoping with key stakeholders, was undertaken during 2025, providing the evidence base for the collaborative activity described below.

Engagement mechanism: Rather than acting unilaterally, Foresight is leading a collaborative process that brings together operational, land management, and local community perspectives. Arise plays a central role in ensuring that turbine operations and ongoing maintenance activities are aligned with biodiversity objectives, while engagement with Stora Enso and the local community supports alignment with land use priorities and local environmental considerations. This collaborative process supports both the co-development of a site-specific NRP for Skaftåsen and the articulation of replicable principles and approaches that will inform the Nordic Nature Recovery Blueprint (NRB).

How influence was exercised: Foresight exercised influence through its ownership role while engaging collectively by:

- supporting the development of a shared NRP and contributing to the definition of broader Nordic-level nature recovery principles alongside Arise, the landowner and local stakeholders;
- aligning operational and land-management practices with the collaboratively agreed framework; and
- embedding the outputs of the engagement process into asset-level governance, oversight and management arrangements. This approach enabled stewardship objectives to be pursued through shared expertise and coordinated action, while also generating insights that can be applied consistently across other Nordic sites.

Why collective engagement was appropriate: Biodiversity enhancement and nature recovery is inherently place-based and system-level, extending beyond the direct control of any single asset owner. Collective engagement with the operator, landowner and local community was therefore assessed as the most effective means of addressing complex nature-related risks and opportunities, strengthening decision-making and supporting long-term asset resilience. The collaborative development of a Nordic Nature Recovery Blueprint further ensures that learning from Skaftåsen can be scaled and applied across other Nordic assets within the FEIP portfolio.



CASE STUDY 13

Engagement and Escalation on Biodiversity in public markets: The Renewables Infrastructure Trust (TRIG)

Division: FCM – FP Foresight UK Infrastructure Income Fund (“FIIF”) and FP Foresight Global Real Infrastructure Fund (“GRIF”)

Background: The Renewables Infrastructure Trust (TRIG) is a UK-listed investment trust with a diversified portfolio of onshore wind, offshore wind and solar assets across the UK and Europe. TRIG provides long-term, inflation-linked cash flows while supporting the transition to a lower-carbon energy system. Given the land-use intensity and location of renewable energy assets, biodiversity management is financially material, influencing asset resilience, regulatory risk and long-term performance. TRIG has set a target of achieving no negative biodiversity impact and has disclosed asset-level initiatives focused primarily on solar farms. Using Foresight’s assessment framework, aligned with the Taskforce for Nature Related Disclosures (TNFD) Locate, Evaluate, Assess, Prepare (LEAP) approach and Foresight’s Nature Recovery Blueprintⁱ, we assessed TRIG’s approach as demonstrating awareness and selective disclosure, but lacking a systematic, portfolio-wide methodology, particularly given the predominance of wind assets.

Objective: For TRIG to strengthen its biodiversity approach by 1) Moving to a portfolio-wide framework; 2) Expanding baselining and monitoring to cover wind assets; and 3) Identifying practical mitigation pathways where operational control or access is constrained.

Stewardship Activity: We engaged bilaterally with TRIG’s fund management and sustainability teams and the external operations manager, acknowledging progress on solar assets while encouraging wider adoption of biodiversity baselining, as highlighted by the TNFD LEAP approach and the Nature Recovery Blueprint. TRIG highlighted challenges across wind assets, including limited land control onshore and regulatory and operational constraints offshore, alongside existing initiatives such as Biodiversity Net Gain commitments and Environmental Enhancement Projects.

Given the gap between stated ambition and portfolio-wide implementation, Foresight later escalated the engagement from encouragement to targeted challenge, sharing evidence and examples of technological solutions, such as selective turbine shutdown systems, demonstrating how biodiversity impacts can be mitigated even where land access is constrained, with minimal impact on energy output.

Outcome: TRIG confirmed that Foresight’s Nature Recovery Blueprint was informative and shared the materials internally, improving transparency on portfolio-wide biodiversity practices and clarifying barriers and potential solutions. Foresight will continue to monitor progress and consider further escalation, including collaborative engagement or voting action, if practices do not evolve in line with TRIG’s stated ambition.

i. The Nature Recovery Blueprint is Foresight’s internal framework used to support biodiversity assessment and action planning, with a focus on baselining and practical intervention measures.



CASE STUDY 14

Escalation in Private Equity in response to potential sanctions and export-control risk

Division: Private Equity

Background: One portfolio company within Foresight's Private Equity portfolio is a specialist manufacturer and distributor of safety-critical electronic components used in signal transmission between isolated circuits. Foresight invested in the business through a regional Private Equity fund in 2024 to support expansion into new markets and continued product development.

In early 2026, the company was referenced in national media following reports that a UK-manufactured component was present within military equipment in a sanctioned jurisdiction. While there was no evidence of direct sales to sanctioned entities or regulatory breach, the issue indicated heightened sanctions, reputational and downstream-use risk, triggering escalation.

Objective: To assess and mitigate potential sanctions, export-control and reputational risks arising from downstream product use, and to ensure that the portfolio company's governance, customer due-diligence and escalation processes were sufficiently robust to prevent recurrence.

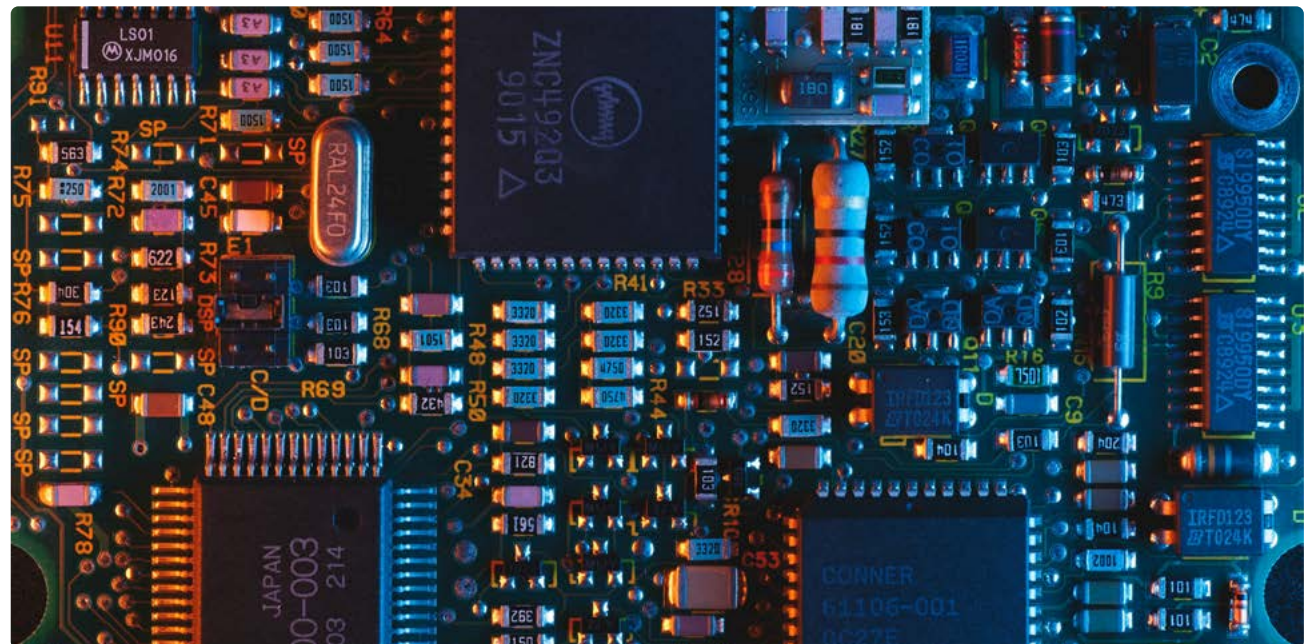
Stewardship Activity: Foresight immediately engaged with the company's senior management to establish the facts, assess compliance with UK export controls and sanctions, and evaluate the adequacy of customer due-diligence processes.

The company confirmed that the component had been sold in 2024 to a non-sanctioned customer and subsequently resold multiple times without the company's knowledge. Given the potential severity of the issue, Foresight escalated engagement and oversaw the following actions:

- Immediate cessation of sales and recall of the specific product from all customers, with refunds provided (total sales value <£10k);
- Permanent discontinuation of the product and destruction of remaining stock;

- Direct engagement with the distributor responsible for onward sale, who agreed to cease sales of that specific product to the customer; and
- Review of customer and supply-chain due-diligence processes, focusing on higher-risk end-uses.

Outcome: The escalation resulted in timely mitigation of potential sanctions and reputational risk and strengthened governance and compliance practices at the portfolio company. The case also informed wider portfolio oversight, with Foresight reinforcing expectations on customer due diligence, monitoring of higher-risk jurisdictions and early escalation of similar issues across its Private Equity holdings.



3. Engagement

3.7 Measuring Progress and Effectiveness

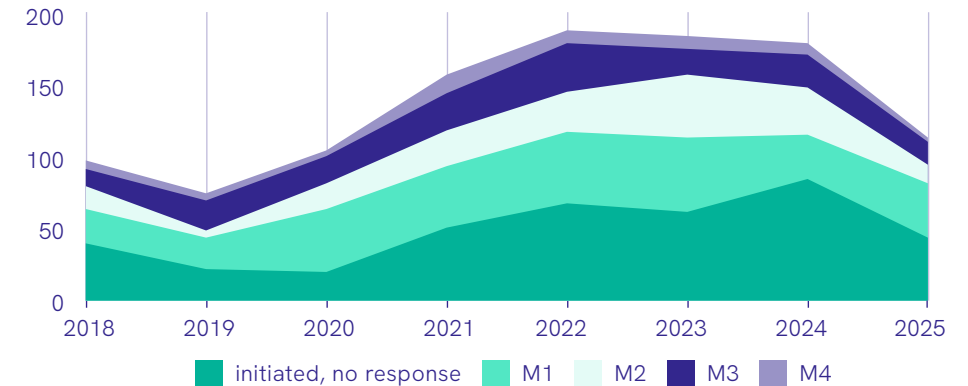
Clearly defined engagement objectives provide the foundation for assessing progress in public markets where outcomes are influenced by multiple external factors. In 2025 we continue to track progress using our milestone framework which helps to assess progress towards the achievement of an objective (i.e. the 'Objective Milestones') (Figure 7 and 8), supported by observable changes in outcome metrics aligned with individual, company-specific engagement objectives. Ideally this data relates to real-world outcomes such as emissions reductions, (Case study 9).

Figure 7: Objective milestones track progress, while KPIs help evaluate the link between activities and outcomes



In 2025, engagement progress for the WHEB Strategy was more concentrated in early-stage milestones, with 72% of engagements at Milestones 0-1 (up from 64% in 2024). Mid-stage engagements (Milestone 2) fell to 11%, while deep engagements at Milestones 3-4 remained stable at 17% (vs 17% in 2024). Overall engagement volume decreased year-on-year, largely due to work focusing on integrating the strategy within FCM, but the proportion of 'deep engagements' progressing beyond disclosure towards strategic or operational change was maintained (Figure 8).

Figure 8: While engagement volume decreased in 2025, the proportion of 'deep engagement' remained fairly consistent in the WHEB Strategy



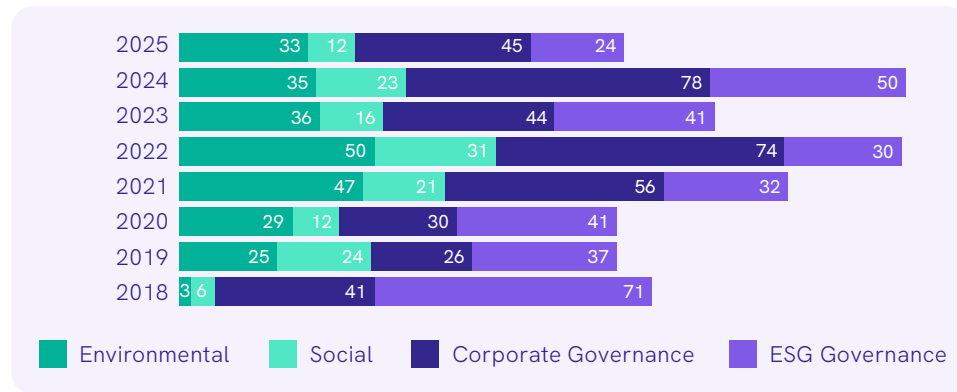
Given the time lags associated with outcome data, activity levels are monitored as a sense-check on focus and resourcing, ensuring our work remains aligned with priorities, without being used as a proxy for impact.

As in previous years, governance accounted for the largest share of engagement in the WHEB Strategy in 2025, with auditor and director independence each representing 11% of activity (Figure 9). Remuneration was also a key focus, including excessive pay (11%) and the integration of sustainability metrics into pay (6%). Environmental topics featured prominently, with 22% of engagements on net-zero strategies, alongside biodiversity and hazardous chemicals (each 4%). Social issues remained less prevalent, with gender diversity representing 12% of all activities, consistent with prior years. A summary of engagement progress across FCM funds (excluding WHEB) is provided in Section 7.

3. Engagement

These figures show priorities but not the depth of engagement or progress achieved, which is explored more in Purpose of Engagement (section 3.1) and Case study 9 respectively.

Figure 9: Engagement activities by topic, WHEB Strategy 2025



Consistent with our approach to **engaging for information**, we measure progress not only by changes achieved at company or asset level, but by how insights gained through information gathering engagements are incorporated into investment analysis and stewardship prioritisation. Progress is evidenced where these engagements deepen our understanding of strategy, governance, culture, incentives or risk management, and where that understanding informs decisions to invest, hold, avoid or exit, or leads to enhanced monitoring or revised engagement objectives. As illustrated by the Novo Nordisk case study (Case study 15), information gathering engagement can play a critical role in refining investment judgement and shaping proportionate stewardship responses.

As set out in Table 3, progress in private markets is monitored through embedded engagement mechanisms applied consistently across the investment lifecycle, from pre-investment due diligence through to exit and value realisation. These mechanisms provide the basis for assessing delivery against established engagement expectations and the extent to which agreed actions are implemented through ownership and governance structures.

During the reporting period, this included tracking completion of early-stage engagement milestones for new investments, reviewing management reporting and KPIs through board- and asset-level governance, and assessing whether sustainability and governance issues remained actively overseen throughout the holding period. In areas where outcomes are primarily governance- or assurance-led, such as supply-chain human rights, effectiveness is assessed through indicators including the quality of information provided, independent audit findings and ongoing risk signals, rather than through individual engagement events, as illustrated by Case study 16 looking at Human Rights in supply chains.

Monitoring therefore focuses on whether agreed engagement mechanisms result in enhanced transparency, strengthened controls and sustained oversight reflected in governance, strategy and operational practice, rather than on tracking individual interactions. This approach complements asset-level examples such as Kølvalen (Case study 10), where outcomes are measured through delivery against clearly defined environmental objectives during the construction phase.

This is the first year in which these private markets stewardship metrics have been disclosed publicly. While the underlying practices have long been integral to our ownership approach, formalising and reporting these metrics enables more consistent and comparable assessment of engagement progress across private market strategies over time.

CASE STUDY 15

Informing investment judgement: Assessing DEI governance risk at Novo Nordisk

Division: FCM (WHEB)

Background: Management quality and governance are key to long-term value creation in healthcare companies. Diversity, equity and inclusion (DEI) practices form part of our assessment of decision-making quality and organisational resilience. In the US, increasing legal and regulatory scrutiny of corporate DEI practices has created new governance-related risks.

Company Objective: Understand management's decision to remove gender diversity target for North American business segment. If necessary, further engagement to encourage better DEI practices associated with higher quality management and therefore better decision-making.

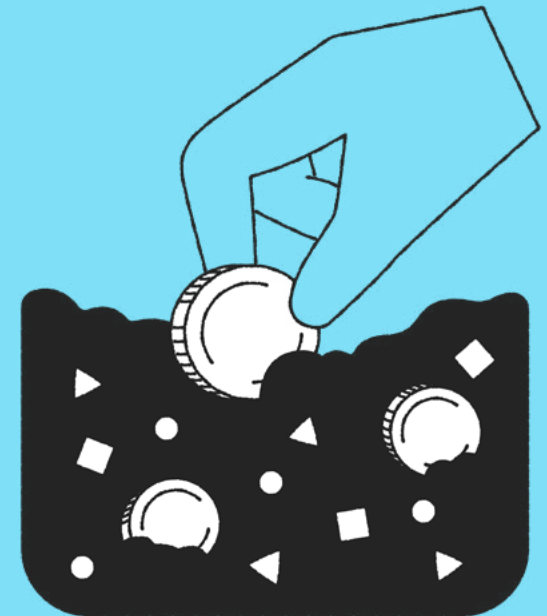
WHEB Investor Objective: Supporting high quality management extends the company's overall positive impact and long-term success.

Stewardship Activity: Following Novo Nordisk's decision to remove senior management gender diversity targets for its North American business, we sought clarification to understand the drivers of this change and its implications for long-term outcomes.

Outcome: Milestone 2 - Company shares or agrees to disclose on the issue Novo Nordisk explained that the decision reflected heightened legal and regulatory risk in the US, including concerns that formal targets could affect compliance and eligibility for Medicare and Medicaid programmes, which represent a material share of US revenues. The company confirmed that DEI initiatives continue outside the US and that it remains majority-owned by the Novo Foundation, which retains strong ESG commitments.

This engagement improved our understanding of how regulatory developments are reshaping governance trade-offs in a key market. It informed our assessment of management quality and values alignment, enabling a more proportionate stewardship response in light of external constraints.

This engagement deepened our understanding of governance practice and helped to refine our investor judgement. Such engagements allow us to be better positioned to respond to emerging risks in a way that supports long-term outcomes for clients and beneficiaries.



CASE STUDY 16

Assessing stewardship outcomes in Real Assets supply-chain human rights

Division: Real Assets

Background: Human rights risks within supply chains are a material stewardship consideration for Foresight's Real Assets portfolio, reflecting the complexity and geographic reach of construction and supply chains. Where unmanaged, such risks can affect regulatory compliance, delivery timelines, reputation and long-term asset value.

In 2022, an alert from Ethixbase identified potential forced labour risk indicators linked to a key supplier within the portfolio, triggering enhanced monitoring and engagement.

Objectives: Foresight's stewardship objectives were to:

- increase transparency and visibility over supply-chain labour practices;
- assess and mitigate potential human rights risks in line with international standards;
- evaluate the effectiveness of stewardship interventions through measurable governance and assurance mechanisms.

Stewardship activity: The issue was escalated internally across Sustainability, Compliance and senior management and raised directly with the counterparty. Ongoing monitoring and engagement during 2024 and continuing through 2025, led to further escalation due to the supplier's involvement in Battery Energy Storage System (BESS) assets within the portfolio. Foresight used its contractual and governance levers to require the counterparty to strengthen due-diligence processes, including alignment with Foresight's Supplier Code of Conduct and international human rights standards.

During 2025, Foresight further strengthened its approach by appointing external technical advisers to conduct an in-person audit of one of the supplier's manufacturing facilities. Budget for this work was approved during the reporting period, with the audit scheduled to take place in 2026. This step reflects escalation of stewardship activity and a move from desk-based assurance towards on-the-ground verification of labour practices.

Outcomes: As a result of escalation during the reporting period, Foresight required the counterparty to provide product-specific supply-chain traceability and independent third-party audit documentation. This represented a tangible stewardship outcome in 2025, translating risk identification into strengthened transparency, accountability and assurance over supply-chain practices.

Progress and effectiveness are assessed through the quality and completeness of traceability information, findings and remediation actions from independent audits, and ongoing risk signals identified through Ethixbase monitoring. Compared with the position at initial identification, Foresight now has greater visibility over component sourcing and labour practices within relevant supply-chain tiers.

Where documentation or audit findings fall short, this prompts further engagement or escalation, providing a clear mechanism for testing and reinforcing stewardship effectiveness. Learning from this case has informed enhanced due diligence requirements and clearer escalation thresholds for future Real Assets procurement. The supplier relationship continues to be monitored on an ongoing basis, reflecting the iterative nature of managing human rights risks.



4. Exercising rights and responsibilities

Principle 4: Signatories actively exercise their rights and responsibilities.

We view the exercise of rights as a core component of effective stewardship and long-term value creation. We seek to use the rights available to us deliberately and proportionately, recognising that the most effective mechanisms differ across asset classes.

In public equities, this primarily means using our shareholder voting rights. Through voting, we hold companies to account and reinforce expectations on governance, strategy and the management of financially material sustainability risks.

Within the WHEB Strategy, we cast at least one vote against or abstain¹ at more than 80% of all company meetings. In 2025 WHEB cast votes on 100% of the resolutions at 100% of the company meetings at which we were entitled to vote in that year. The key figures are summarised in Table 4 below.

Table 4: Voting activities in 2025, WHEB Strategy

	Number	Proportion of total
Meetings voted at	42	
Meetings with at least one vote against management	37	88%
Votes against management	144	22%
Votes with management	507	78%
Do not vote	19	
Votes withheld	10	2%
Votes abstained	7	1%
Resolutions voted	651	100%
Votes against proxy advisor recommendations	128	19%
Shareholder resolutions	12	2%

In the WHEB Strategy we also voted against management on 144 occasions, representing 22% of our votes cast, a pattern consistent with previous years (Figure 11)

- 93% of these votes were on Governance issues (especially auditor independence, director independence and executive remuneration).
- 4% of these votes were on Social issues, the majority aimed at improving diversity.
- 3% of these votes were on Environmental issues, mostly carbon reduction targets. (Figure 12) Our escalation process of writing to company management provides an opportunity to widen the scope of engagement to cover Environmental and Social issues as well as Governance issues.

Until 2025, the WHEB Strategy relied on third-party proxy research and voting execution services to support analysis and voting at company meetings. While external research informed our assessment, all voting decisions were taken independently to ensure alignment with our own voting policies, which are typically more stringent. We disclose the proportion of votes cast against proxy research recommendations in Figure 11, with most divergences reflecting votes against management where research supported management proposals.

During the reporting period, FCM adopted a single, aligned voting policy across all public markets strategies in preparation for the 2026 proxy season². This approach builds on the WHEB Strategy's established "red lines", which are themselves informed by the Association of Member-Nominated Trustees' (AMNT) Red Lines³, and set out clear minimum expectations on governance and sustainability. Applying these consistently across FCM strategies strengthens engagement signals and supports a more coherent approach to voting and escalation.

As part of this implementation, the firm updated its proxy research arrangements to enable the effective application of a custom voting policy across strategies and to bring all public markets funds onto a single platform. This change supports greater consistency and efficiency in voting, while ensuring that ultimate voting decisions continue to be based on WHEB's analyst judgement, informed by company-specific context and engagement insights.

1. Abstentions are used where, applying our voting policy on a case-by-case basis, neither a vote for nor against is considered appropriate, including due to information gaps, policy misalignment, or ongoing engagement.

2. <https://foresight.group/legal/policies/>

3. <https://www.amnt.org/red-line-voting>

4. Exercising rights and responsibilities

Figure 10: A proactive Voting Policy in action

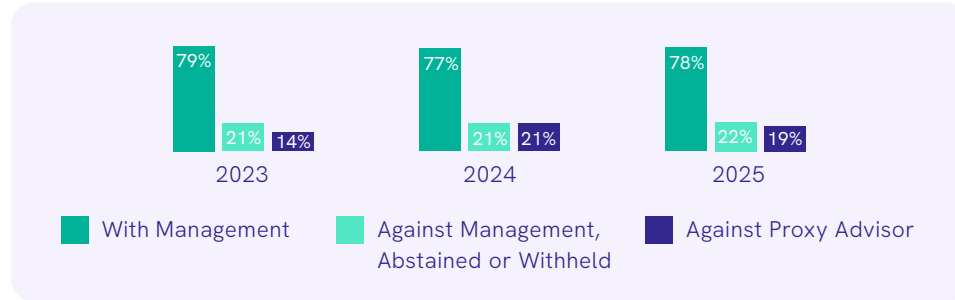


Figure 11: Votes against management by topic (2023-2025), WHEB Strategy



Within Foresight Capital Management (FCM), voting is treated as an extension of engagement rather than a stand-alone obligation. Decisions are informed by company-specific analysis, engagement history and materiality, and are applied proactively across both routine and non-routine resolutions. Votes against the recommendations of company management are typically intended to signal concern and prompt further dialogue, and we often communicate our rationale directly to companies in writing to support accountability and follow-up, as shown in the John Deere engagement case study (Case study 17).

In private markets, the exercise of rights is embedded within ownership, contractual rights and governance arrangements rather than delivered primarily through shareholder voting. In Real Assets and Private Equity, this typically takes the form of Board representation, reserved matters and contractual rights set out in investment agreements and articles of association, such as rights to appoint non-executive directors or agreed step-in provisions. This enables more direct oversight and clearer accountability, as illustrated by the Functional Gut Group case study (Case study 19).

Engagement priorities identified through due diligence and ongoing monitoring are reinforced through Board level decision making, formal challenge where necessary and oversight of management performance against agreed objectives. This ownership based approach allows for earlier, more targeted intervention.

Across all asset classes, we aim to exercise our rights transparently to maintain and enhance the value of our investments and in ways most likely to be effective given the investment structure, while remaining aligned with client mandates and our long-term stewardship objectives.

CASE STUDY 17

Using voting to support evidence based DEI governance engagement at John Deere

Division: FCM – FP Foresight Sustainable Future Themes Fund (“SFT”)

John Deere designs and manufactures agricultural machinery and precision farming technologies helping to improve resource efficiency and reducing environmental intensity in food production.

During the 2025 proxy season, Diversity Equity and Inclusion (DEI) related resolutions at several US listed companies reflected heightened political and regulatory pressures. At John Deere’s AGM, competing shareholder proposals were filed both in support of, and opposition to, the company’s DEI approach. Informed by engagement and our assessment of company-specific context, we voted in favour of a proposal requesting an independent civil rights audit, while opposing proposals seeking to restrict the company’s ability to manage workforce and governance risks.

Our vote reflected a view that independent oversight can strengthen governance and risk management without mandating prescriptive DEI outcomes that may be less effective in a politicised environment. The proposal received close to 30% shareholder support, while anti-DEI proposals received minimal backing. This experience informed our ongoing stewardship approach by reinforcing the role of voting in supporting governance oversight where engagement alone may be insufficient, and by shaping how we prioritise future DEI-related engagement and voting decisions in similar contexts¹.

i. Further detail on our evolving approach to DEI engagement and voting is set out in our blog *The DEI Hype Cycle: Learning to Fail Forward in a Politicised Landscape* <https://www.whebggroup.com/our-thoughts/the-dei-hype-cycle-learning-to-fail-forward-in-a-politicised-landscape>



CASE STUDY 18

Exercising rights in private markets minority positions – Skaftåsen onshore wind farm (Sweden)

Division: Real Assets – Foresight Energy Infrastructure Partners I (“FEIP I”)

Background: One of FEIP’s flagship investments is Skaftåsen wind farm, a 231MW onshore wind farm comprising 35 turbines in rural Sweden. FEIP holds a minority stake but retains control through priority governance rights under the Shareholders’ Agreement.

The investment was originated by Foresight in 2020. Due to single-asset concentration limits prior to Final Close, Foresight secured €170m of co-investment from four institutional investors. Throughout 2025, Foresight continued to operate in accordance with the Investment Advisory Agreements and an Asset Management Agreement with the project company. Despite minority ownership, FEIP retained the sole right to appoint directors to the Board and priority rights over key strategic and operational decisions. These rights were designed to ensure effective stewardship and accountability across a multi-investor ownership structure.

Over the course of the year, FEIP actively exercised these rights through Foresight appointed directors, providing Board level oversight of strategy, risk management and operational performance. Governance and exit rights were used to maintain alignment between FEIP and Skaftåsen co-investors and to support coordinated decision-making.

This case demonstrates how, during the reporting period, Foresight identified and exercised its rights in practice to fulfil its stewardship responsibilities and support long-term value creation in private markets.



Skaftåsen wind farm, Sweden, part of Foresight’s portfolio

CASE STUDY 19

Early use of ownership rights to strengthen commercial outcomes in Functional Gut Group

Division: Private Equity

Background: Functional Gut Group (Functional Gut) is a provider of high-quality diagnostic testing services for patients suffering from pervasive conditions such as Irritable Bowel Syndrome ("IBS"), which affects one in five people in the UK.

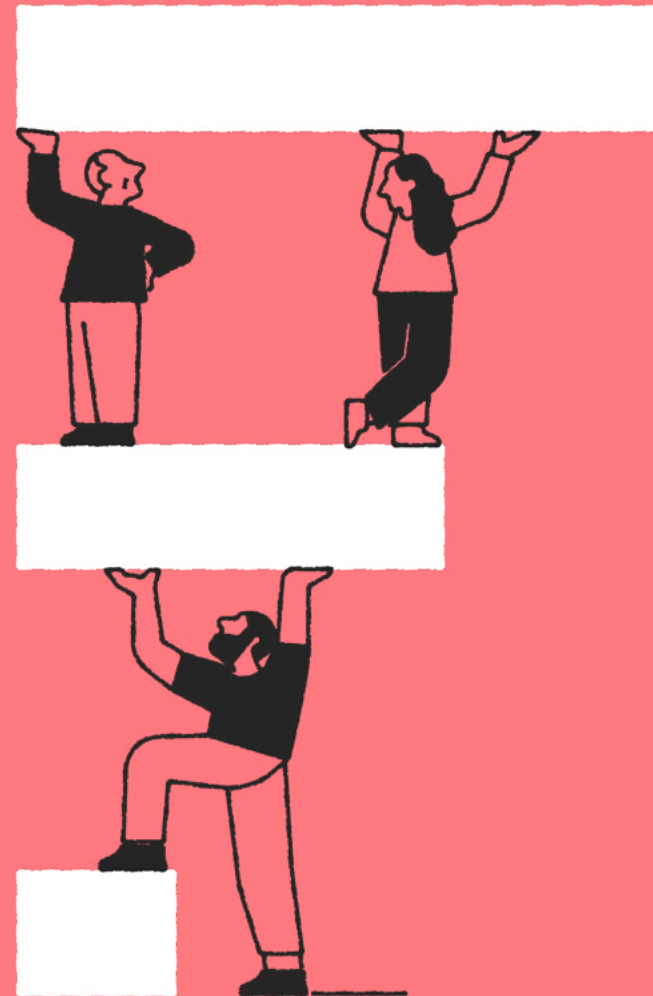
Foresight Group invested £5.75 million into Functional Gut in March 2025 to support geographic expansion and team growth.

Objective: To actively exercise ownership rights to address weaknesses in insurance reimbursement arrangements and enhance the value and resilience of the investment.

Stewardship Activity: As a private equity investor, Foresight holds ownership rights that enable it to influence key commercial and contractual decisions post-investment. Following completion, and drawing on learnings from during due diligence, Foresight exercised these rights by initiating an early review of the company's insurance reimbursement arrangements.

Using its ownership influence, Foresight prioritised this issue immediately after acquisition, requiring management to review their contractual terms to ensure reimbursement structures more accurately reflected commercial reality.

Outcome: As a direct outcome of this intervention, the revised arrangements delivered a 7-8% increase in reimbursement fees, strengthening the company's financial position and improving resilience and demonstrating Foresight's role in influencing its investments for long-term value.



5. Selection and Oversight of Managers

Principle 5: Signatories integrate stewardship considerations into their selection and oversight of external managers.

We review our stewardship approach on an ongoing basis to ensure it remains effective, proportionate and aligned with client objectives, regulatory expectations and evolving best practice. Oversight sits with senior investment and sustainability leadership, with input from investment teams across asset classes to reflect differences in ownership structures and stewardship levers. Policies, frameworks and escalation processes described in the Policy & Context Disclosure are subject to periodic review, including where changes in strategy, regulation or market conditions indicate updates are required.

Where Foresight delegates asset management or operational responsibilities to external managers, operators or platform partners, stewardship considerations are embedded at the point of selection and mandate design. As part of appointment processes, we assess prospective managers' governance arrangements, sustainability and stewardship capabilities, data quality and reporting systems, and their ability to operate in line with Foresight's stewardship objectives and client mandates.

This assessment focuses in particular on: the clarity of accountability and escalation routes; the manager's approach to identifying and managing financially material sustainability risks; their capability to deliver reliable, decision-useful sustainability and stewardship data; and their willingness to engage constructively on governance, risk management and long-term value creation. These considerations inform both appointment decisions and the design of mandates, including expectations on reporting, engagement and escalation.

In Real Assets strategies where day-to-day asset management is delegated to third-party operators or platform investments, manager selection, appointment and ongoing oversight are core stewardship levers. These managers are typically responsible at asset level for asset strategy, capital allocation, risk management, sustainability implementation, governance and reporting.

Stewardship considerations are therefore integrated into appointment and review processes, including assessment of managers' governance arrangements, sustainability capabilities, approach to risk management and quality of reporting (Case study 20). These processes ensure that stewardship expectations are clearly set and embedded within delegated management arrangements from the outset.

This approach reflects the central role delegated managers play in delivering stewardship outcomes in real assets portfolios and ensures stewardship objectives are pursued effectively and proportionately.

Following appointment, oversight of external managers is delivered through regular monitoring, engagement and review via established governance structures and investment committees. Oversight focuses on whether managers are delivering against agreed stewardship expectations, including the quality and timeliness of reporting, responsiveness to emerging risks and alignment with fund-level sustainability and stewardship objectives.

Where performance or alignment is insufficient, concerns are escalated proportionately. This may include enhanced engagement, clarification or strengthening of mandate requirements, increased reporting frequency, fee-adjustments or formal action plans. Persistent shortcomings may inform decisions regarding the continuation of appointments. This approach ensures that stewardship objectives remain central to delegated management arrangements and are actively monitored in practice, rather than assumed through contractual delegation alone.

CASE STUDY 20

Oversight of an external manager to strengthen sustainability data and reporting in Real Assets

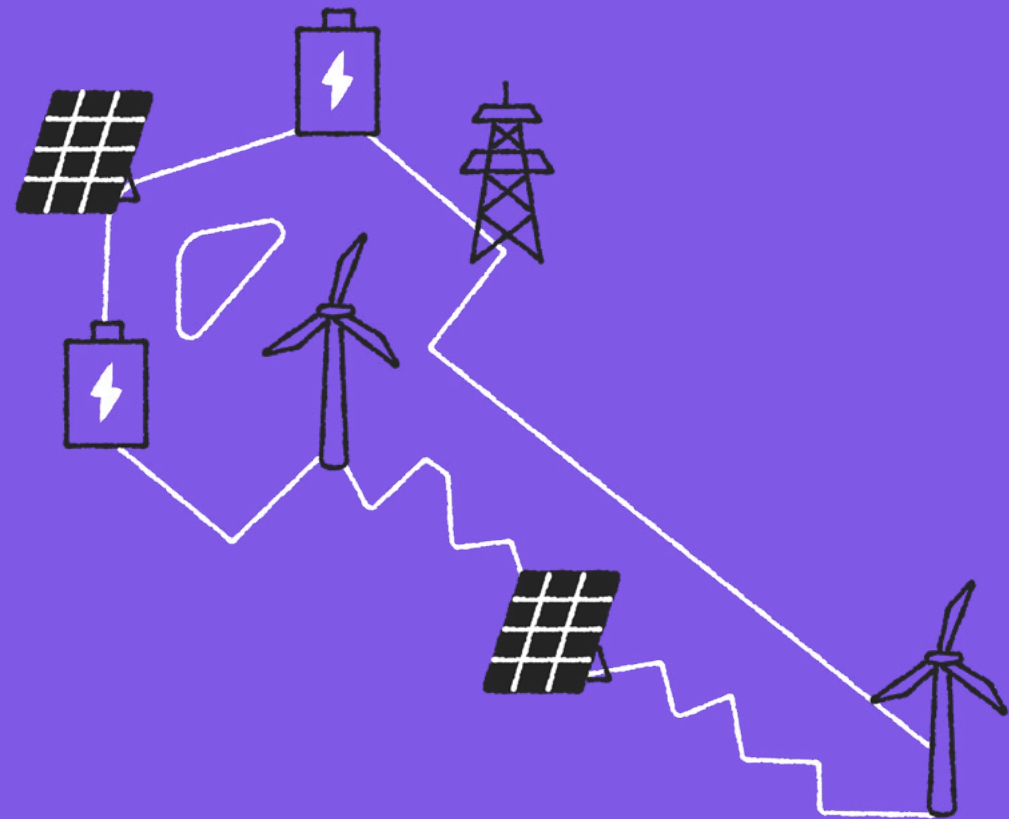
Division: Real Assets

Background: Within a Real Assets strategy investing through third party development platform structures, day to day asset management and operational decision making are delegated to third party platforms. These platforms are responsible for asset level development decisions, risk management and sustainability implementation. Foresight's stewardship influence in this structure is therefore primarily exercised through manager selection, mandate design, contractual rights and ongoing oversight, rather than direct operational control.

Objective: To ensure that delegated development platform managers have the governance arrangements, systems and processes in place to consistently collect, validate and report sustainability data required to support fund-level oversight, risk management and regulatory disclosures, including the calculation of metrics necessary for SFDR Article 9 reporting.

Stewardship Activity: Foresight engaged with the Sustainability and Data teams at the development platform through established governance and oversight channels in order to: 1) clarify expectations for sustainability data collection and reporting; 2) support the development of consistent processes and data inputs across platforms; and 3) ensure that platform level reporting aligned with fund-level sustainability objectives and regulatory requirements, including those underpinning SFDR Article 9 disclosures.

Outcome: Following this engagement, enhanced data collection processes were implemented by the development platform, enabling us to calculate and report on the sustainability metrics require for SFDR at fund level. This supports transparency and accountability to our clients, enables Foresight to monitor sustainability performance and manage risks on an ongoing basis and strengthens regulatory reporting. This demonstrates how our stewardship in private markets can drive governance and reporting improvements without the need for direct operational control.



6. Monitoring Service Providers

Principle 6: Signatories monitor and hold to account stewardship service providers.

This section focuses on Foresight's oversight of stewardship service providers. We rely on a range of third-party service providers to support stewardship activities, including proxy research, voting platforms, data providers and specialist advisers. While these providers play an important supporting role, accountability for stewardship decisions remains with Foresight.

Monitoring and accountability

Stewardship service providers are selected and monitored to ensure their outputs are consistent with our stewardship objectives, investment beliefs and regulatory obligations. Oversight focuses on the quality, relevance and timeliness of information provided, as well as the extent to which services support effective engagement, voting and escalation across asset classes.

Where proxy research is used, it is treated as an input to analysis rather than a determinant of outcomes, and is supplemented by internal judgement and company-specific context.

Review and change of providers

The performance of service providers is reviewed on an ongoing basis. Feedback from investment and sustainability teams informs these reviews, supporting continuous improvement and appropriate use of external support.

Where services no longer meet our requirements, or where alternative arrangements better support effective stewardship, we may change providers.

During the reporting period, this included a change in proxy research provider within FCM (as discussed under Principle 4). This reflected a judgement that alternative research and a single platform better supported consistent implementation of our bespoke voting policy across FCM funds, improving efficiency and alignment with our voting approach.

Where material issues are identified, we engage directly with service providers to seek improvements or, where appropriate, to inform decisions to change providers.



Member of the Foresight Team

7. Stewardship Data Pack 2025

7.1 Macro Stewardship

Table 5: Representative examples of Foresight's macro stewardship in 2025

Systemic risk	Organisation	Primary Stewardship Purpose	Nature of Foresight participation	Dept.
Climate change adaptation and energy decarbonisation	Climate Action 100+	Collaborative initiative targeting systemically important emitters	Participant in collaborative engagement	FCM
	IIGCC Net Zero Engagement Initiative	Climate policy engagement and collaborative engagement on net zero	Member; policy group participant; NZEI involvement	FCM
	ShareAction Investor Decarbonisation Initiative	Chemicals sector specific collaborative engagement on 1.5°C alignment	Active participant	FCM
	Solar Energy UK	UK solar industry policy, standards and best practice	Active working group participation	Real Assets
	Clean Energy Council (Australia)	Renewable energy policy and advocacy	Participation via Australian Real Assets team	Real Assets
	Clean Energy Investor Group (Australia)	Institutional investor advocacy on renewable energy policy	Active participation	Real Assets
Biodiversity & ecosystems	Nature Action 100	Collaborative initiative on biodiversity loss	Portfolio engagement	FCM
	UK Business Biodiversity Forum	Biodiversity integration learning forum	Discussion based participation	Group
	The Eden Project	Nature recovery and engagement partnership	Strategic collaboration and events	Group
Human & labour rights in the value chain	Solar Stewardship Initiative (SSI)	Sector-specific assurance scheme improving ESG standards and supply-chain traceability in solar	Signatories to the Solar Energy UK's Supply Chain Statement; engagement with SSI certified manufacturers	Real Assets
	Investing in Women Code	Improve access to finance for female entrepreneurs	Signatory	PE
	The Diversity Project	Cross industry DEI initiative	Member; steering committee representation	Group
	The Amos Bursary	DEI charitable partnership	DEI partner; internships and insight events	Group
	UN Global Compact	Principles for responsible business conduct	Use of guidance; training participation	Group

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Systemic risk	Organisation	Primary Stewardship Purpose	Nature of Foresight participation	Dept.
Governance, corruption & market integrity	Principles for Responsible Investment (PRI)	Responsible investment standards and stewardship framework	Signatory	FCM; Group
	UK Sustainable Investment and Finance Association (UKSIF)	UK sustainable finance policy engagement and coordination	Member; committee participation	FCM; Real Assets
	BVCA, VCTA and AIC	UK PE/venture capital policy engagement and industry coordination, policy and advocacy and governance standards for investment companies	Targeted policy engagement. Participation in events and working groups, contribution to policy responses	PE
	Confederation of British Industry (CBI)	Business policy engagement and advocacy	Participation across multiple committees	PE
	British Chambers of Commerce (Spain Chapter)	Regional business network and advocacy	Committee participation	Group; Real Assets
	Pensions for Purpose	LGPS focused impact and sustainability network	Regular participation; thought leadership	Group
Cyber security & data governance	ESG data assurance and verification providers (e.g. Aardvark)	Third-party assurance of sustainability metrics	Engagement with both the providers and investees on fund-level sustainability metrics	Real Assets
	Various industry and policy forums	Awareness raising and learning on emerging cyber and data governance risks	Participation through industry engagement	Group

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7.2 FCM engagement and voting data, 2025

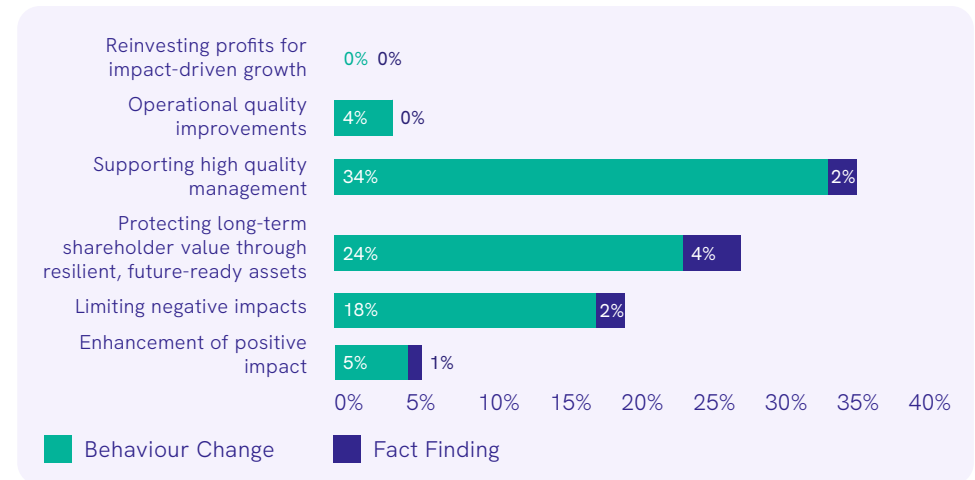
The following analysis relates to engagement and voting activity across FCM funds across 2025, including the Diversified Real Assets Fund (DRAF), FP Foresight UK Infrastructure Income Fund (FIIF), Global Real Infrastructure Fund (GRIF), and Foresight Sustainable Real Estate Securities Fund (REF). Data is reported separately for 2025 throughout the report, as the WHEB Strategy was acquired part way through the year in March 2025.

7.2.1 Engagement objectives

As part of implementing the WHEB stewardship framework across FCM funds, we retrospectively mapped all 2025 engagement activity to the WHEB investor-level objectives. These objectives were originally designed to reflect the specific purpose and impact goals of the WHEB Strategy, and some adaptation was therefore required to ensure relevance for FCM’s listed equity, infrastructure and real-asset portfolios.

Overall, we found strong alignment between WHEB’s existing objectives and FCM’s sustainability-focused strategies. However, to better reflect the objectives of FCM’s funds, we introduced an additional objective: ‘protecting long term shareholder value by ensuring assets are resilient and positioned to benefit from structural environmental, social and economic trends’ (Figure 13).

Figure 12: 2025 Engagement objectives were predominantly concerned with supporting quality management and protecting shareholder value through future-ready assets



7.2.2 Engagement topics

During the period, engagement activity across FCM funds was strongly concentrated on Governance and ESG Governance topics, which together accounted for around 88% of all engagements (Governance 50%, ESG Governance 38%). Social issues represented c.11%, while direct Environmental topics were limited (c.1%). This reflects a stewardship approach focused on oversight, accountability and strategic decision-making as the primary levers for influencing long-term risks and returns (Figure 14).

The most prevalent engagement themes related to capital allocation, management incentives and alignment, shareholder rights, UN Global Compact signatory status and ESG disclosure, with social engagement largely focused on board and workforce gender diversity. ESG Governance engagements centred on disclosure expectations and alignment with international norms, while Governance engagement focused on strategic oversight, capital discipline and corporate actions (Tables 6 and 7).

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Figure 13: Governance was a major focus of FCM engagement in 2025

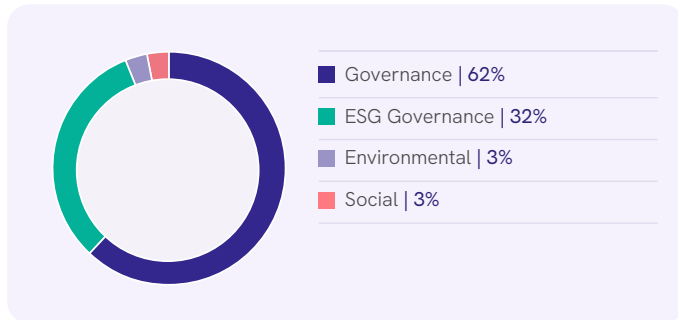


Table 6: Most prevalent engagement topics across all FCM funds

Topic area	Engagement theme	Share of engagements
ESG Governance	UN Global Compact signatory status	13%
ESG Governance	ESG disclosure and transparency (incl. rollback of US diversity disclosures)	11%
Governance	Capital allocation	12%
Governance	Management incentives and alignment	12%
Social	Gender diversity	10%
Environmental	Carbon/emissions-related engagement	1%

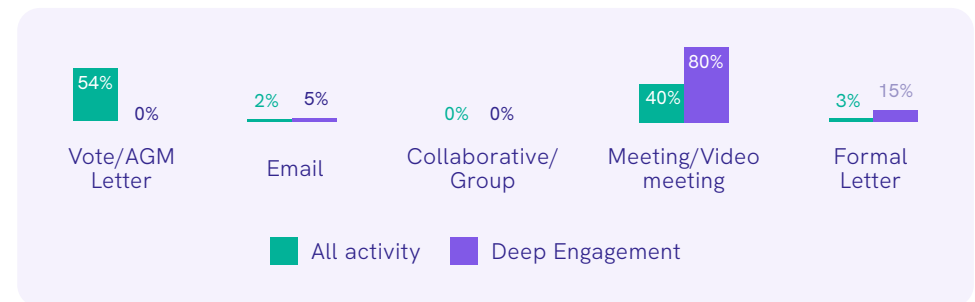
Table 7: Most prevalent engagement topics within each FCM fund

Fund	Most prevalent engagement themes
Global Real Infrastructure Fund (GRIF)	Capital allocation (16%); Strategy and capital discipline (13%); Mergers/corporate actions (10%); Shareholder rights (10%)
Diversified Real Assets Fund (DRAF)	Strategy (15%); UN Global Compact signatory status (12%); Capital allocation (12%); Mergers/corporate actions (12%); ESG disclosure (12%)
FP Foresight UK Infrastructure Income Fund (FIIF)	Capital allocation (28%); Strategy and capital discipline (13%); Mergers/corporate actions (13%); Management incentives and alignment (12%)
Foresight Sustainable Real Estate Securities Fund (REF)	UN Global Compact signatory status (33%); ESG Disclosure (13%); Shareholder Rights (13%)

7.2.3 Methods of engagement

Engagement is mostly delivered through meetings with company management and by exercising proxy voting rights, in which we provide our voting rationale to company management. Meetings involve direct dialogue with boards or management teams, often focused on a single issue and are our preferred method when targeting deeper discussion or influence. This is reflected by 80% of FCM’s deep engagement¹ being conducted through meetings or video meetings.

Figure 14: FCM engagement methods in 2025



1. Those that have progressed beyond disclosure and have resulted in a company committing to a strategy or demonstrating evidence of effective implementation, corresponding to Milestones 3 or 4 in the WHEB engagement framework.

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7.2.4 Engagement progress

Looking at engagement progress in 2025, through the lens of the milestone framework, further emphasises this approach. 49% of engagements sat at Milestone 0, where objectives had been clearly communicated, with a further 12% progressing to company acknowledgement (Milestone 1). This distribution is consistent with a governance-led model delivered at scale through voting, AGM linked engagement and expectation setting, where early outcomes focus on accountability and monitoring rather than immediate operational change. Importantly, 38% of engagements progressed to milestones 2-4, including cases where companies enhanced disclosure (17%), committed to new approaches or strategies (4%), or provided evidence that issues were being addressed in line with agreed policies (17%).

7.2.5 Voting

FCM has historically taken a disciplined and proportionate approach to voting, treating it as a core stewardship tool. In 2025, FCM voted at all eligible meetings and on all eligible resolutions. Most votes (around 90%) were cast with management, while 9% were cast against management, abstained or withheld, with at least one such vote at 36% of meetings, indicating selective challenge where it mattered. Independent judgement is also evident, with 8% of votes cast against proxy adviser recommendations.

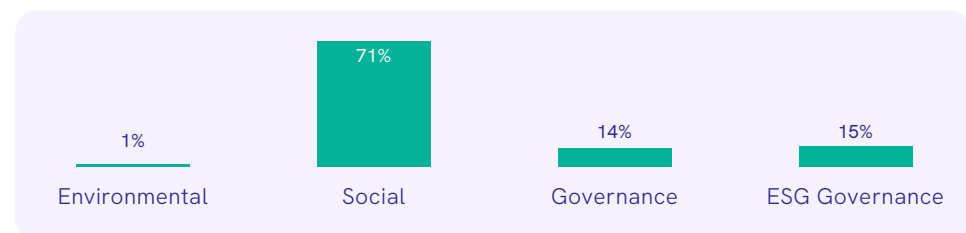
Votes against management were highly concentrated across a few key priorities, showing how voting dissent was used selectively against clearly defined governance standards. Board gender diversity accounted for 65% of all dissent, with the remainder focused on a small set of core governance issues, including remuneration (14%), shareholder rights (5%), capital allocation (3%) and auditor independence or tenure (3%).

Table 8: Voting activities in 2025, FCM funds

Meetings	2025	
	No. of meetings	%
# votable meetings	95	
# meetings at which votes were cast	95	100%
# meetings at which we voted against management or abstained	34	36%

Resolutions	2025	
	No. of meetings	%
# resolutions	1267	
# non-voting resolutions (Aka blanks)	0	
# resolutions eligible to vote	1267	
# eligible resolutions voted	1267	100%
# votes cast with management	1143	90%
# votes cast against mgmt. or abstained or withheld	117	9%
# of which were withheld	16	
# of which were abstain	2	
# proposals without recommendations from management ¹	7	1%
# of which we voted against the proposal	3	
# of which we abstained or withheld our vote	2	
# votes cast against proxy advisor recommendations	96	8%

Figure 15: Votes against management recommendations by category, FCM Funds



1. In certain markets, management recommendations were not provided due to local governance arrangements.



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