

Investment Advisory Committee:
Summary minutes

November 2025

Investment Advisory Committee

WHEB's independent Investment Advisory Committee's key purpose is to scrutinise the investment team's activities, including stewardship. They review the strategy's processes and holdings to ensure that they meet with both the spirit and the letter of the strategy's sustainability criteria. Members play an advisory role, are independent experts in the field of sustainable investing and meet every four months.



WHEB

Foresight

Attendees

Seb Beloe (Managing Director)

Ted Franks (Managing Director)

Alice Chapple (Member)

Charlie Deptford (FundRock Member)

Hans-Christoph Hirt (Member)

Kenneth Kershaw-Green (FundRock Member)

George Latham (Member)

Martin Rich (Member Chair for this meeting)

Abigail Rotheroe (Member)

1. Introduction

In line with the process agreed at the March Committee meeting, Martin had volunteered to be the Chair of this meeting with this role then rotating to a different Member for the subsequent meetings.

George Latham, having left the business of Foresight Capital Management in the Autumn was welcomed on to the Advisory Committee as an independent Member.

2. Fund update and composition

Ted Franks provided an overview of the performance of the strategy over the past few months, which has been much improved. The performance of the 'magnificent 7' stocks remained strong over the period and the ownership (or not) of these specific companies is still the primary driver of performance in the index. These seven stocks alone now account for approximately 25% of the MSCI World index; a level of concentration that is unprecedented for many decades.

There have been a few changes in the strategy including the sale of some long-held positions (see below). Overall Ted described four strong influences on the performance of the fund over the past four months:



**Ted Franks, Managing Director,
Foresight Capital Management**

- **Cleaner energy:** With expectations reset following President Trump's 'One Big Beautiful Bill' (OBBB), clean energy stocks have rebounded strongly as the implications of the OBBB were understood to be less damaging than had been feared. In addition, ongoing data centre demand growth continues to fuel project development particularly for utility scale solar which is both cheap and quick to deploy.
- **Data centres:** The portfolio includes several stocks that sell equipment into data centres to make them more energy efficient. This includes companies like Schneider Electric, TE Connectivity and Trane Technologies. These companies all benefit from the rapid deployment of data centres to meet anticipated AI demand and the stocks all performed well in the period.
- **Healthcare:** While Healthcare has been very weak through much of 2025 as a result of policy uncertainty introduced by the Trump administration, recent months have seen some recovery due both to policy certainty as well as investors rotating out of the 'AI trade' and into other sectors including healthcare.

- **Other Environmental themes:** Industrial activity outside of AI and data centres remains subdued which limits growth in the majority of WHEB's environmental themes. Purchasing Managers' manufacturing indices (PMI) are still hovering around '50' which indicates at best a lukewarm recovery in industrial markets¹. Ted argued that productivity improvements driven by AI may well help to catalyse a long overdue recovery in industrial markets which have been weak since 2022.

There followed a brief conversation about how the team measure relative performance given the very significant differences between the composition of the WHEB strategy and the MSCI World. Ted argued that, for this reason, the FP WHEB Sustainability Impact Fund does not have a formal benchmark. Nonetheless, the team continues to look for appropriate benchmarks against which to assess the Fund's performance. The team is aware of a couple of new initiatives that are seeking to create 'impact benchmarks' and is actively reviewing these.

3. Buys and sells in the period

During the period, two new companies were purchased.

Synopsys (Resource Efficiency): is a leader in Electronic Design

Automation ('EDA') tools that manufacturers use to design semiconductors.

The level of sophistication means there are only a handful of companies that can provide the software tools and services that are needed to design, verify, and manufacture integrated circuits, systems-on-chip (SoCs), and other electronic systems. A key focus of Synopsys' tools is on both improving the energy efficiency of the design process itself and in designing semiconductors that themselves are more energy efficient.



Verra Mobility (Sustainable Transport): is a leading provider of smart

transportation solutions, offering integrated services across tolling, automated camera enforcement, and parking management. Its red-light and speed safety systems encourage safer driving, while digital tolling services simplify payments and compliance for rental car and fleet drivers.

The company's smart mobility tools are used in congestion charging applications that help cities ease congestion, reduce emissions and promote efficient road use.



There followed a vigorous debate about the process of reviewing stocks and these two new additions in particular. The committee were keen to understand the process for qualifying stocks into the investment universe as another important part of the investment process. The Foresight team agreed to share some examples of stocks that were qualified and disqualified to demonstrate the approach taken.

The committee concluded that these two stocks were both appropriate for the strategy but did so with some reservations. Neither company was considered by the committee to offer a particularly high-level impact with positive and negative impacts, for example Verra Mobility's digital tolling services may enable more road driving while the safety cameras and congestion charging improve safety and reduce road use. This point is also evident in the relatively low impact scores given to the two companies with Verra and Synopsys scoring 18% and 28% respectively on the impact engine. It was suggested to the team that further engagement with these companies was needed to develop the impact case further.

Five companies were also sold from the strategy which were also briefly discussed. The notable sales were:

Linde (Environmental Services): had been held in the portfolio since 2012 and has been a strong performer over this period. The company was sold due to concerns about the company's operating margin which is now at an historic high.

CSL (Health): has also been held in the strategy since 2012. The company has struggled in recent years following poorly timed acquisitions and a weakening pipeline of new therapies.

1 – A PMI reading of >50 shows expansion in industrial activity, a reading of <50 indicates a contraction.

Advanced Drainage Solutions (Environmental Services): Another strong performer held for six years which the team is now concerned is facing strong headwinds from lacklustre construction end markets.

4. Updates to the WHEB investment process

Ted Franks and Seb Beloe introduced a number of evolutions in the WHEB investment process that are being developed. None of the proposed changes, if fully implemented, will alter the fundamental objectives of the strategy nor the clarity and authenticity of the impact philosophy governing the strategy or the policies that apply to it. Instead, the focus is primarily on making the investment process quicker, facilitating greater analytical skill and judgement and promoting clearer ownership of investment decisions across the team. Some of the areas discussed included:

- How to better use new AI tools in the investment process;
- Allowing more sector specialisation within the analyst pool and more ownership over investment ideas;
- Streamlining impact and investment analysis to improve efficiency and focus debate on critical issues.

These potential changes are still being reviewed and tested. Committee members nonetheless indicated that they were broadly supportive of these changes which they consider to be aligned with the investments strategy's existing objectives and policies.

5. Any other business

Dates of the next Committee meetings have yet to be confirmed. Alice Chapple agreed to chair the next meeting due in the Spring of 2026.

Investment Advisory Committee Members

**Alice Chapple**

- Founder of Impact Value
- Director, Schroder BSC Social Impact Trust plc, Acre Impact Capital, Development Guarantee Group

**Abigail Rotheroe**

- NED at HydrogenOne, Baillie Gifford and Franklin Templeton
- Previously Investment Director at Snowball Impact Management

**George Latham**

- Former Managing Partner at WHEB Asset Mgmt. and MD at Foresight Capital Management

**Hans-Christoph Hirt**

- Adjunct Professor, IMD
- Professional Trustee at Pi Partnership
- Member of FCA Listing Authority Advisory Panel
- Former UBS MD in Sustainable Investing

**Martin Rich**

- Co-founder and CEO of Future-Fit Foundation
- 25 years' experience in mainstream and social investment

**FundRock**

- Representatives attend meetings in their capacity as the Authorised Corporate Director of the FP WHEB Sustainability Impact Fund



Foresight