

# FORESIGHT SICAV

*(Société d'investissement à capital variable – UCITS)*

Annual Report, including Audited Financial Statements  
for the year ended 31 May 2023

# FORESIGHT SICAV

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## CONTENTS

<b>ORGANISATION</b> .....	<b>3</b>
<b>ACTIVITY REPORT 2023</b> .....	<b>4</b>
<b>AUDIT REPORT</b> .....	<b>6</b>
<b>STATEMENT OF NET ASSETS</b> .....	<b>9</b>
<b>STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS</b> .....	<b>10</b>
<b>STATISTICAL INFORMATION</b> .....	<b>11</b>
<b>STATEMENT OF INVESTMENTS</b> .....	<b>13</b>
<b>INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS</b> .....	<b>15</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b> .....	<b>16</b>
<b>UNAUDITED INFORMATION</b> .....	<b>20</b>

# FORESIGHT SICAV

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## ORGANISATION

<b>Registered office</b>	3, rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg
<b>Board of Directors of the Company</b>	Jasper Jansen (Chairman) (until 17 November 2022) Jean-Bernard Quillon (Chairman) (as from 18 November 2022) Adela Baho Nick Scullion Mark Brennan
<b>Management Company</b>	<b>FundRock Management Company S.A.</b> 33, Rue de Gasperich L-5826 Hesperange Grand Duchy of Luxembourg
<b>Investment Manager and Global Distributor</b>	<b>Foresight Group LLP</b> The Shard 32 London Bridge Street London SE1 9SG United Kingdom
<b>Administrative Agent, Registrar and Transfer Agent</b>	<b>Apex Fund Services S.A.</b> 3, rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg
<b>Depository bank and Paying agent</b>	<b>Skandinaviska Enskilda Banken AB (publ)*, Luxembourg Branch</b> 4, rue Peternelchen L-2370 Howald Grand Duchy of Luxembourg
<b>Auditor</b>	<b>Deloitte Audit S.à r.l. <i>Cabinet de Révision Agréé</i></b> 20, boulevard de Kockelscheuer L-1821 Luxembourg Grand Duchy of Luxembourg
<b>Luxembourg Legal Advisers</b>	<b>Van Campen Liem Luxembourg</b> 2, rue Dicks L-1417 Luxembourg Grand Duchy of Luxembourg
<b>United Kingdom Legal Advisers</b>	<b>Shakespeare Martineau</b> No 1 Colmore Square Birmingham B4 6AA, United Kingdom

\* publ means public

# FORESIGHT SICAV

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## ACTIVITY REPORT 2023

### Strategy review

The strategy provides investors with exposure to listed “real” infrastructure companies. These companies own, and generate earnings from, physical infrastructure projects and assets. Typically, these projects and assets generate a high degree of contracted cash flows, which are often inflation linked or benefit from fixed uplifts. These infrastructure projects are defined by their criticality, relied upon by the public for everyday functions, such as travel, healthcare, and education, and by both public and private organisations for their day-to-day operations. This translates into a portfolio which has a defensive earnings profile, supplemented by an attractive dividend yield. The long-term investment horizon makes considerations around sustainability, specifically environment and social factors, vital. Infrastructure investing requires a multi-decade outlook and so investments must be able to endure the changing world ahead, and so the evaluation of each company’s sustainability credentials for a key part of the Fund’s investment process.

### Market conditions

Over the period global markets continued to be driven by macro and geopolitical factors, rather than underlying company fundamentals, in our view. The war in Ukraine has not only led to a conflict unseen in Europe since the World War 2, but also a shortage of agricultural goods and the “weaponization of energy” imported into Europe from Russia. Commodity prices increased because of these shortages and sanctions, particularly food and energy prices, further fuelling existing COVID induced inflationary pressures across the globe. Alongside the geopolitical uncertainty, the pace at which central bankers pivoted towards, and then accelerated, their contractionary monetary policies also surprised investors. The combination of accelerating inflation and hawkish central banks resulted in interest rate and bond market volatility not experienced in decades. Implications for listed infrastructure have been similar to other long duration risk assets - a reset in valuations occurred and share prices moved negatively to reflect future cash flows discounted at a now higher rate. This mechanical exercise, in our view, ignored the contractual inflation linkage in the underlying cash flows and their defensiveness if economic conditions deteriorate. Through the year, this led to an unjustified volatility in share prices.

### Fund positioning and attribution

During this volatile period, we remained focused on maintaining exposure to companies with high quality assets and counterparties, strong balance sheets and a high degree of inflation linkage in the underlying earning streams. Exposure towards those companies that have low inflation linkage and growth potential were reduced (core infrastructure and healthcare), while exposure towards areas with higher growth was increased (digital infrastructure and economic infrastructure). Portfolio companies have continued to report strong cash generation and a healthy operating environment, despite the increasing concerns around a recession as central bankers raise rates to levels that restrict economic activity. We remain optimistic, whilst also realistic, around the long-term earnings power of the underlying companies as they exhibit robust growth prospects with contractual inflation linkage and structural demand drivers of decarbonisation, ageing demographics and digitisation.

During the period, the Fund’s digital infrastructure holdings were the top performers, rebounding after having seen their share prices suffer in 2022. The Fund’s poorest performing sectors were renewable energy and medical property. The Fund’s medical property holdings are typically listed REITs and so are typically sensitive to interest rates despite resolute fundamental performance. In the renewable energy sector, the Fund’s holdings suffered due to weak investor sentiment, as the competition for capital took hold. With attractive yields on offer in other asset classes, and fears around higher interest rates and cost inflation affecting project economics, renewable energy companies have suffered from volatility and downward pressure on equity valuations. As a long-term investor in the sector, we take an arguably contrarian view. The Fund’s renewable energy holdings own, and generate cash flows from, primarily operating assets. They supplement this with the expertise, both practical and financial, to develop and construct new projects, which provide accretive earnings growth. This “franchise” or “platform” factor is being disregarded by equity markets, but will, over time, prove fruitful for these firms.

We added one new company and exited two companies during the period. We initiated a relatively small position in Crown Castle International, a US listed owner of US communication assets, which is a company we have watched for a number of years but have had reservations regarding its valuation. Despite a slowdown in earnings growth, we now feel that the defensive earnings profile and positive long-term outlook now align with an attractive valuation opportunity. We exited Samhallsbyggnadsbolaget, a Swedish listed owner of social infrastructure assets, due to balance sheet concerns while seeking to improve the portfolio quality. Finally, we exited Radius Global Infrastructure, a digital infrastructure business which owns land and leases it to digital infrastructure companies to locate their equipment on. The company received a \$15 per share takeover offer from Swedish infrastructure investor EQT and Canadian pension investor PSP, which was at a material premium to the prevailing share price. Such a bid highlights the valuation floor that is provided by the depth of private capital available to be deployed into attractive long term infrastructure investments.

# FORESIGHT SICAV

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## ACTIVITY REPORT 2023

### Outlook

Despite the macroeconomic and political uncertainty, the outlook for global infrastructure remains attractive. Even in a recessionary environment, infrastructure companies maintain the ability to earn reliable and highly forecastable cash flows which allows them to pay sustainable dividends. This remains underpinned by the contractual cash flows from high quality counterparties that use infrastructure assets held by portfolio companies. The Fund remains positioned in companies that have high quality, cash generative and defensive earnings profiles. This focus has been central to the investment process since the strategy launched and is particularly relevant at this point in time.

We continue to view both the renewable energy and digital infrastructure sectors as attractively positioned. Increased digitisation of global economies is a structural trend expected to continue for many years and demand for infrastructure used by the digital world should remain insulated from shorter term economic cycles. The energy transition trend and global decarbonisation imperative also continues to provide attractive investment opportunities for the Fund across the renewable energy and energy efficiency sectors. The policy environment also remains supportive as exhibited by the passage of the Inflation Reduction Act in the US and Europe's "Fit for 55" plan. These policy measures will provide continued growth avenues for portfolio companies.

Lastly, there remains strong appetite for infrastructure assets owned by portfolio companies as seen by recent transaction activity across private markets. Globally, investor appetite for infrastructure investments remains robust. The wall of capital continues to provide valuation support for the Fund's underlying companies as private funds will seek to deploy capital over time. We believe if public market valuations remain at discounts to asset values, increased M&A activity from private market participants should be expected. Recent transactions in the market continue to suggest that real money buyers, or those with limited need for leverage, continue to bid for assets at attractive valuations relative to public market pricing for comparable assets. We believe this provides valuation support and the Fund has already benefitted from a take private of Radius Global Infrastructure. Listed infrastructure should be seen as a long-term addition to a well-diversified portfolio, such a view should allow investors to benefit from the substantial tailwinds that are set to benefit companies in the sector.

The figures stated in this report are historical and not necessarily indicative of future performance.

To the Shareholders of Foresight SICAV  
3, rue Gabriel Lippmann  
L-5365 Munsbach  
Grand Duchy of Luxembourg

## REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

### Opinion

We have audited the financial statements of Foresight SICAV (the “Fund”), which comprise the statement of net assets and the statement of investments as at 31 May 2023 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 May 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “*Commission de Surveillance du Secteur Financier*” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “*Responsibilities of the “réviseur d’entreprises agréé” for the Audit of the Financial Statements*” section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other information**

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the “*réviseur d’entreprises agréé*” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## **Responsibilities of the Board of Directors of the Fund for the Financial Statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the “*réviseur d’entreprises agréé*” for the Audit of the Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “*réviseur d’entreprises agréé*” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

Raphaël Charlier, *Réviseur d'entreprises agréé*

Partner



# FORESIGHT SICAV

## STATEMENT OF NET ASSETS

As at 31 May 2023

	Note	Foresight Global Real Infrastructure (Lux) Fund EUR
<b><u>ASSETS</u></b>		
Investments at market value		21,360,095.02
Cash at banks		292,172.31
Dividends receivable		102,684.18
Formation expenses	2 (e), 5	83,221.89
Due from broker		81.55
<b>TOTAL ASSETS</b>		<b><u>21,838,254.95</u></b>
<b><u>LIABILITIES</u></b>		
Management Company fees payable	3	52,211.22
Investment Management fees payable	3	31,035.30
Administration fees payable	3	4,836.32
Depositary fees payable	3	45,038.59
Professional fees payable		45,654.82
Subscription tax payable	4	364.70
<b>TOTAL LIABILITIES</b>		<b><u>179,140.95</u></b>
<b>TOTAL NET ASSETS</b>		<b><u>21,659,114.00</u></b>

# FORESIGHT SICAV

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended 31 May 2023

	Note	Foresight Global Real Infrastructure (Lux) Fund EUR
<b><u>INCOME</u></b>		
Dividend income	2 (f)	847,100.73
<b>TOTAL INCOME</b>		<b>847,100.73</b>
<b><u>EXPENSES</u></b>		
Management Company fees	3	48,000.00
Investment management fees	3	199,620.11
Administrative agent and transfer agent fees	3	55,208.73
Depository fees	3	37,097.70
Bank charges and interest expenses		3,472.79
Professional fees		30,351.07
Formation expenses	2 (e), 5	20,902.82
Subscription duty ("taxe d'abonnement")	4	2,296.24
Other expenses		7,444.51
<b>TOTAL EXPENSES</b>		<b>404,393.97</b>
<b>NET INVESTMENT GAIN/(LOSS)</b>		<b>442,706.76</b>
<b><u>NET REALISED GAINS/(LOSSES)</u></b>		
- on investments		(1,413,182.18)
- on foreign currency transactions		233.33
<b>NET REALISED GAINS/(LOSSES) FOR THE YEAR</b>		<b>(970,242.09)</b>
<b><u>CHANGE IN NET UNREALISED APPRECIATION/ (DEPRECIATION) FOR THE YEAR</u></b>		
- on investments		(1,726,698.00)
- on foreign currency transactions		(695,446.06)
<b>RESULT OF OPERATIONS FOR THE YEAR</b>		<b>(3,392,386.15)</b>
Subscriptions		994,441.57
Redemptions		(2,108,155.17)
<b>TOTAL CHANGES IN NET ASSETS</b>		<b>(4,506,099.75)</b>
<b>TOTAL NET ASSETS at the beginning of the year</b>		<b>26,165,213.75</b>
<b>TOTAL NET ASSETS at the end of the year</b>		<b>21,659,114.00</b>

# FORESIGHT SICAV

## STATISTICAL INFORMATION

As at 31 May 2023

### Foresight Global Real Infrastructure (Lux) Fund

#### Total net assets

- as at 31 May 2023	EUR 21,659,114.00
- as at 31 May 2022	EUR 26,165,213.75

#### Number of Initial EUR shares

- outstanding at the beginning of the year	30,000.00
- issued	-
- redeemed	-
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- outstanding at the end of the year	30,000.00

#### Net asset value per Initial EUR shares

- as at 31 May 2023	EUR 1.00
- as at 31 May 2022	EUR 1.00

#### Number of Class A Accumulation EUR shares

- outstanding at the beginning of the year	5,856,172.41
- issued	-
- redeemed	-
<hr/>	
- outstanding at the end of the year	5,856,172.41

#### Net asset value per Class A Accumulation EUR shares

- as at 31 May 2023	EUR 0.81
- as at 31 May 2022	EUR 0.94

#### Number of Class A Accumulation GBP shares

- outstanding at the beginning of the year	5,000,000.00
- issued	-
- redeemed	-
<hr/>	
- outstanding at the end of the year	5,000,000.00

#### Net asset value per Class A Accumulation GBP shares

- as at 31 May 2023	GBP 0.82
- as at 31 May 2022	GBP 0.94

# FORESIGHT SICAV

## STATISTICAL INFORMATION (continued)

As at 31 May 2023

### Number of Class A Accumulation USD shares

- outstanding at the beginning of the year	9,865,507.00
- issued	-
- redeemed	(2,280,866.72)
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- outstanding at the end of the year	7,584,640.28

### Net asset value per Class A Accumulation USD shares

- as at 31 May 2023	USD 0.76
- as at 31 May 2022	USD 0.88

### Number of Class A Income USD shares

- outstanding at the beginning of the year	7,437,950.00
- issued	812,315.00
- redeemed	-
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- outstanding at the end of the year	8,250,265.00

### Net asset value per Class A Income USD shares

- as at 31 May 2023	USD 0.87
- as at 31 May 2022	USD 1.01

### Number of Class A Income EUR shares

- outstanding at the beginning of the year	-
- issued	16,291.62
- redeemed	-
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- outstanding at the end of the year	16,291.62

### Net asset value per Class A Income EUR shares

- as at 31 May 2023	EUR 0.97
- as at 31 May 2022	-

# FORESIGHT SICAV

## STATEMENT OF INVESTMENTS

As at 31 May 2023

### Foresight Global Real Infrastructure (Lux) Fund

Currency	Nominal/ Quantity	Description	Cost	Market Value	% of total net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>					
<b>Equity shares</b>					
<i>Australia</i>					
AUD	114,266.00	TRANSURBAN GROUP	953,277.37	1,031,607.58	4.76%
			<i>Total Australia</i>	<i>1,031,607.58</i>	<i>4.76%</i>
<i>Canada</i>					
CAD	30,292.00	BORALEX INC -A	785,918.33	783,246.39	3.62%
CAD	37,821.00	BROOKFIELD RENEWABLE PARTNER L.P	1,152,362.70	1,071,254.20	4.95%
CAD	106,479.00	INNERGEX RENEWABLE ENERGY	1,254,939.21	1,031,983.31	4.76%
CAD	42,216.00	NORTHLAND POWER INC	1,068,690.15	866,612.92	4.00%
			<i>Total Canada</i>	<i>3,753,096.82</i>	<i>17.33%</i>
<i>Germany</i>					
EUR	21,774.00	ENCAVIS AG	387,368.48	329,440.62	1.52%
			<i>Total Germany</i>	<i>329,440.62</i>	<i>1.52%</i>
<i>Great Britain</i>					
GBP	797,415.00	ASSURA PLC	632,221.66	445,127.73	2.06%
GBP	214,763.00	HICL INFRASTRUCTURE ORD	426,910.72	359,450.78	1.66%
			<i>Total Great Britain</i>	<i>804,578.51</i>	<i>3.72%</i>
<i>Guernsey</i>					
GBP	638,084.00	CORDIANT DIGITAL INFRASTRUCT	802,611.47	617,905.78	2.85%
			<i>Total Guernsey</i>	<i>617,905.78</i>	<i>2.85%</i>
<i>Ireland</i>					
EUR	610,179.00	GREENCOAT RENEWABLES PLC	691,805.97	648,315.18	2.99%
			<i>Total Ireland</i>	<i>648,315.18</i>	<i>2.99%</i>
<i>Jersey</i>					
GBP	306,009.00	3I INFRASTRUCTURE PLC	1,185,435.42	1,123,711.02	5.19%
			<i>Total Jersey</i>	<i>1,123,711.02</i>	<i>5.19%</i>
<i>New Zealand</i>					
NZD	40,202.00	CHORUS LTD	181,292.94	185,360.93	0.86%
NZD	187,838.00	INFRATIL LTD	850,485.21	1,058,120.97	4.89%
NZD	236,202.00	VITAL HEALTHCARE PROPERTY TR	392,509.99	304,698.93	1.41%
			<i>Total New Zealand</i>	<i>1,548,180.83</i>	<i>7.16%</i>
<i>Norway</i>					
NOK	51,796.00	SCATEC SOLAR ASA	627,088.96	324,297.69	1.50%
			<i>Total Norway</i>	<i>324,297.69</i>	<i>1.50%</i>
<i>Spain</i>					
EUR	27,648.00	CELLNEX TELECOM SAU	1,081,609.79	1,048,135.68	4.84%
			<i>Total Spain</i>	<i>1,048,135.68</i>	<i>4.84%</i>

# FORESIGHT SICAV

## STATEMENT OF INVESTMENTS (continued)

As at 31 May 2023

Currency	Nominal/ Quantity	Description	Cost	Market Value	% of total net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>					
<b>Equity shares (continued)</b>					
<i>United States</i>					
USD	3,790.00	AMERICAN TOWER CORP	759,629.91	653,999.72	3.02%
USD	28,184.00	CLEARWAY ENERGY INC-C	915,581.12	757,567.78	3.50%
USD	4,607.00	CROWN CASTLE INTL CORP	566,107.92	487,962.27	2.25%
USD	5,942.00	DIGITAL REALTY TRUST Inc DLR	634,030.60	569,600.33	2.63%
USD	76,485.00	EASTERLY GOVERNMENT PROPERTI	1,448,276.99	993,228.05	4.59%
USD	1,002.00	EQUINIX INC	640,152.25	698,920.43	3.23%
USD	42,612.00	HEALTHCARE REALTY TRUST INC (USD)	1,043,192.14	741,927.60	3.43%
USD	37,478.00	HEALTHPEAK PROPERTIES INC	986,848.61	699,874.52	3.23%
USD	14,923.00	NEXTERA ENERGY PARTNERS LP	998,551.80	836,587.10	3.86%
		<i>Total United States</i>		<i>6,439,667.80</i>	<i>29.74%</i>
		<b>Total equity shares</b>	<b>20,466,899.71</b>	<b>17,668,937.51</b>	<b>81.60%</b>
<b>Fund Investment</b>					
<i>Ireland</i>					
EUR	700,000.00	BR ICS-EUR GOVT LIQ-PR DI EU	700,000.00	700,000.00	3.23%
		<i>Total Ireland</i>		<i>700,000.00</i>	<i>3.23%</i>
<i>Great Britain</i>					
GBP	428,005.00	OCTOPUS RENEWABLES INFRASTRUCTURE TRUST PLC	542,380.41	486,703.52	2.25%
GBP	571,761.00	SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LTD	693,076.52	535,712.13	2.47%
		<i>Total Great Britain</i>		<i>1,022,415.65</i>	<i>4.72%</i>
<i>Guernsey</i>					
GBP	301,437.00	Greencoat UK Wind PLC/FUNDS	550,726.97	522,761.89	2.41%
GBP	296,639.00	INTERNATIONAL PUBLIC PARTNERSHIPS	557,630.08	479,914.78	2.22%
GBP	383,406.00	RENEWABLES INFRASTRUCTURE GROUP	587,028.42	535,502.16	2.48%
		<i>Total Guernsey</i>		<i>1,538,178.83</i>	<i>7.11%</i>
<i>Luxembourg</i>					
GBP	253,722.00	BBGI SICAV SA	499,938.80	430,563.03	1.99%
		<i>Total Luxembourg</i>		<i>430,563.03</i>	<i>1.99%</i>
		<b>Total fund investment</b>	<b>4,130,781.20</b>	<b>3,691,157.51</b>	<b>17.05%</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			<b>24,597,680.91</b>	<b>21,360,095.02</b>	<b>98.65%</b>

# FORESIGHT SICAV

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## INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

As at 31 May 2023

### Industrial classification of investments

<b>Sector</b>	<b>% of net assets</b>
Communications	0.86
Construction & Infrastructure	11.54
Energy	24.73
Financial	24.04
Industrials	9.60
Investment Companies	1.99
Other financial intermediaries	3.23
Real Estate	6.66
Utilities	16.00
<b>TOTAL</b>	<b>98.65</b>

### Geographical classification of investments

<b>Country</b>	<b>% of net assets</b>
Australia	4.76
Canada	17.34
Germany	1.52
Great Britain	8.44
Guernsey	9.96
Ireland	6.23
Jersey	5.19
Luxembourg	1.99
New Zealand	7.15
Norway	1.50
Spain	4.84
United States	29.73
<b>TOTAL</b>	<b>98.65</b>

# FORESIGHT SICAV

## NOTES TO THE FINANCIAL STATEMENTS

As at 31 May 2023

### NOTE 1 - General

Foresight SICAV (the “Company”) is an open-ended investment company with variable capital (SICAV) incorporated as a public limited company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg on 11 October 2021. The Company is subject to the provisions of the law of 17 December 2010 on undertakings for collective investments (as amended) (“the 2010 Law”) and of the law of 10 August 1915 on commercial companies (as amended) (“1915 Law”) insofar as the 2010 Law does not derogate therefrom.

The Company is an umbrella fund and may operate several compartments (each, a “Sub-Fund”), each one representing a specific portfolio of assets and liabilities.

Since its incorporation the Company has following sub-fund (the “Sub-Fund”):

- Foresight Global Real Infrastructure (Lux) Fund

In this Sub-Fund, the Company has issued Class Initial EUR, Class A Accumulation EUR, Class A Accumulation GBP, Class A Income USD and Class A Income EUR.

The Company accounting currency is the EURO “EUR”.

The Company was created for an unlimited duration, yet each Sub-Fund may be created for a limited or unlimited duration. Each Sub-Fund may have its own specific investment objective and policy, investment strategy, distribution policy, Base Currency, duration, costs structure or any other specific features.

The investment objective of the Sub-Fund is to grow, over any five year period, by more than 3% per annum above the rate of UK inflation (as measured by the UK Consumer Prices Index). There is no guarantee that the Sub-Fund will achieve a positive return over this, or any other, period and you may not get back the original amount you invested.

The Sub-Fund will invest directly in the shares of companies (including listed Investment Trusts, closed-ended Real Estate Investment Trusts (REITs), ETFs and other investment company structures depending on the relevant jurisdictions) or units of master limited partnerships that, in each case, are publicly traded (listed) on stock exchanges in developed markets (meaning North America, Western Europe and Asia Pacific); and that own or operate real infrastructure or renewable energy assets anywhere in the world. Such companies’ revenue streams are typically directly or indirectly supported by long term government or public sector contracts and government supported initiatives.

### NOTE 2 - Summary of significant accounting policies

The financial statements are prepared in accordance with Luxembourg legal and regulatory requirements and with generally accepted accounting principles in Luxembourg relating to investment funds under the going concern basis of accounting. The base currency of the Company and its Sub-Fund is the Euro.

The financial statements as at 31 May 2023 have been prepared on the basis of the net asset valuation as at 31 May 2023.

The significant accounting policies are summarised as follows:

#### a) Valuation principles

The Net Asset Value of each sub-fund of the Company shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions:

1. Securities and money market instruments which are listed or traded on any regulated market are valued based on the last available price;
2. Units or shares in a UCI or UCITS and any other investment funds, are based on the last available valuation provided by the fund administrator or by the pricing agent in charge for the valuations and are based on (a) the single price available for buying and selling these units or shares or (b) if separate buying and selling prices are available, the average of the two prices are used, provided the buying and selling prices have been adjusted by any initial charge or any exit/ selling charge as applicable.
3. Exchange-traded derivative contracts are valued at the single price for buying and selling the exchange-traded derivative contract or if separate buying and selling prices are quoted, at the average of the two prices



# FORESIGHT SICAV

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## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### NOTE 2 - Summary of significant accounting policies (Continued)

#### a) Valuation principles (continued)

4. Where the Management Company has reasonable grounds to believe that no reliable price exists for a security (including a unit/share in a collective investment scheme) or the most recent price available does not reflect the Management Company's best estimate of the value of the security (including a unit/share in a UCI or UCITS), the Management Company (subject to agreement with the Company) can value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).
5. Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.

#### b) Net realised gains/(losses) on sales of securities

The realised gains or losses on the sales of securities are calculated on the basis of the first in first out (FIFO) cost of the securities sold and recorded in the statement of operations and changes in net assets.

#### c) Valuation of forward foreign exchange contracts

The unrealised gains/(losses) on outstanding forward foreign exchange contracts are valued on the basis of the forward exchange rates prevailing at valuation date. Realised and unrealised profits and losses are recorded in the statement of operations and changes in net assets.

#### d) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the Sub-Fund are converted at the closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the Sub-Fund are converted at the mid closing spot rates at occurrence date. Gains or losses on foreign exchange are included in the statement of operations and changes in net assets. The cost of securities denominated in currencies other than the reference currency of the Sub-Fund is converted at the mid closing spot rate prevailing on the day of acquisition.

#### e) Formation expenses

The expenditure involved in the initial launching of the Company, as well as the cost of launching new Sub-Funds may be amortised over a period of up to five years. The costs of launching new Sub-Funds will be written off only by the respective Sub-Fund. The expenditure involved in establishing the Company still outstanding may only be written off by the Sub-Funds launched at the same time as the Company was established.

#### f) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income is accrued on a prorata temporis basis, net of any withholding tax.

#### g) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in statement of operations and changes in net assets are mainly composed of transaction costs incurred by the Company relating to purchases or sales of securities and of fees relating to settlement of transactions and are paid to the custodian bank.

# FORESIGHT SICAV

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As at 31 May 2023

### NOTE 3 - Charges and Expenses

#### MANAGEMENT FEES

FundRock Management Company S.A. is entitled to an annual management charge, payable monthly in arrears by reference to the Net Asset Value of each relevant Fund on the immediately preceding Dealing Day in respect of the relevant month. The current annual management charges for the current Fund(s) (expressed as a percentage per annum of the Net Asset Value of the relevant Sub-Fund) are displayed below.

FUND	Net Asset Value	Percentage
Foresight Global Real Infrastructure (Lux) Fund	Up to 200 million Euro	0.04% (subject to a minimum fee of €48,000)
	Over 200 million Euro up to 500 million Euro	0.03%
	Over 500 million Euro	0.02%

The minimum fee does not apply in the first six months from the launch date of the relevant Sub-Fund.

The Management Company is also entitled to all reasonable out of pocket expenses incurred in the performance of its duties as set out above.

#### INVESTMENT MANAGER'S FEES

Foresight Group LLP is appointed as an Investment Manager of the Fund. The Investment Manager is entitled to an annual fee of 0.85% of the Net Asset Value of the relevant Fund, payable monthly in arrears (calculated by reference to the Net Asset Value of each relevant Fund on the immediately preceding Dealing Day in respect of the relevant month).

#### THE DOMICILIARY AND ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT FEES AND EXPENSES

The Investment Manager, with the consent of the Company has entered into an Administration Agency Agreement with Apex Fund Services S.A. ("Apex"). The Central Administrator also acts as the domiciliary agent of the Company.

The Administrator is entitled to an annual fee, payable monthly in arrears by reference to the Net Asset Value of the Company on the immediately preceding Dealing Day in respect of the relevant month. The current administration fees for the current Fund(s) (expressed as a percentage per annum of the Net Asset Value of the relevant Sub-Fund) are displayed below.

SUB-FUND	Net Asset Value	Percentage
Foresight Global Real Infrastructure (Lux) Fund	Up to 200 million Euro	0.040% (subject to a minimum fee of €30,000)
	Over 200 million Euro up to 500 million Euro	0.035%
	Over 500 million Euro	0.015%

The annual management charge rates shall increase by 3% per annum with effect as at 1 January of each applicable calendar year.

The Administrator will provide the Company with draft annual financial statements for a fee of €6,500 per annum and will provide domiciliation services to the Company for a fee of €3,000 per annum.

#### DEPOSITARY FEES

Skandinaviska Enskilda Banken AB (publ), is a public Luxembourg Branch has been engaged as Depositary bank. In carrying out its duties and responsibilities the Depositary is entitled to receive a custody fee paid out of the assets of each Sub-Fund determined as an annual percentage calculated per market on a monthly basis based on each Sub-Fund's Net Asset Value and paid monthly in arrears. The custody fee is subject to a monthly minimum fee of EUR 500 -. The maximum overall depositary fee (custody fee and supervisory/depositary fee) shall not exceed 0.15% of the Net Asset Value of the relevant Sub-Fund (excluding minimum fees).

The Depositary will further receive out of the assets of each Fund a supervisory/depositary fee based on the relevant Fund's Net Asset Value paid monthly in arrears and subject to a monthly minimum fee of EUR 500.

The Depositary is also entitled to all reasonable out of pocket expenses incurred in the performance of its duties as set out above.

The Depositary Fee does not cover operational costs such as costs of buying and selling securities, transaction fees and correspondent bank charges, such charges are paid separately by the Fund.

# FORESIGHT SICAV

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As at 31 May 2023

### NOTE 4 - Taxe d'abonnement

The Company is not subject to any taxes in Luxembourg on income, profits or gains. The Company is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on the net asset value of the Company at the end of each calendar quarter, calculated and paid quarterly. No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the shares of the Company.

### NOTE 5 – Formation expense

	EUR
Formation expense at the beginning of the year	76,895.69
Addition for the year	37,015.78
Formation Expense at the end of the year	<u>113,911.47</u>
Accumulated amortisation at the beginning of the year	9,786.76
Amortisation for the year	20,902.82
Accumulated amortisation at the end of the year	<u>30,689.58</u>
Net book value	
At 31 May 2022	<u>67,108.93</u>
At 31 May 2023	<u>83,221.89</u>

### NOTE 6- Exchange rates

The exchange rates applied as at 31 May 2023 are as follows:

1 AUD =	EUR	0.6084	1 NZD =	EUR	0.5633
1 CAD =	EUR	0.6893	1 USD =	EUR	0.9356
1 GBP =	EUR	1.1639			
1 NOK =	EUR	0.0844			

### NOTE 7– Statement of changes in portfolio

Upon request to be addressed to the registered office of the Fund, a copy of the statement of changes in the portfolio for the year ended 31 May 2023 can be obtained free of charge.

### NOTE 8– Subsequent events

There were no material post-balance sheet date events in relation to the Fund which necessitate the revision of the figures or disclosures included in these audited financial statements.

# FORESIGHT SICAV

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## UNAUDITED INFORMATION

### Remuneration policy

#### FundRock Management Company S.A.

FundRock Management Company S.A. ("FundRock") as subject to CSSF Circular 18/698 has implemented a remuneration policy in compliance with Articles 111a and 111b of the 2010 Law and/or Article 12 of the 2013 Law respectively

FundRock as subject to Chapter 15 of the 2010 Law and AIFM must also comply with the guidelines of the European Securities and Markets Authority ESMA/2016/5758 and ESMA/2016/5799 to have sound processes in place. Fundrock has established and applies a remuneration policy in accordance with the ESMA Guidelines on sound remuneration policies under the UCITS V Directive (ESMA 2016/575) and AIFMD (ESMA 2016/579) and any related legal & regulatory provisions applicable in Luxembourg.

Further, consideration has been given to the requirements as outlined in Regulation (EU) 2019/2088 on sustainability – related disclosures in the financial sector, the SFDR Requirements.

The remuneration policy is aligned with the business strategy, objectives, values and interests of FundRock and the Funds that it manages and of the investors in such Funds, and which includes, inter alia, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that the Management Company manages.

FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock's employees who are identified as risk-takers are not remunerated based on the performance of the funds under management.

A paper version of the remuneration policy is made available free of charge to investors at FundRock's registered office. FundRock's remuneration policy can also be found at: <https://www.fundrock.com/policies-and-compliance/remuneration-policy/>

The total amount of remuneration for the financial year ending 31 December 2022 paid by FundRock to its staff:

EUR 12,587,217

Fixed remuneration: EUR 11,485,489

Variable remuneration: EUR 1,101,728

Number of beneficiaries: 147

The aggregated amount of remuneration for the financial year ending 31 December 2022 paid by FundRock to Identified staff/risk takers is EUR 2,524,731.

The total amount of remuneration is based on a combination of the assessment of the performance of the individual, the overall results of FundRock, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The Policy is subject to annual review by the Compliance Officer and the update is performed by HR department of FundRock and is presented for review to the Remuneration Committee and approval by the Board of FundRock.

### **Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")**

During the reporting period, the Fund did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

# FORESIGHT SICAV

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## UNAUDITED INFORMATION (Continued)

### Information concerning SFDR Disclosures

Sustainability-related disclosures

The Sub-Fund qualifies as an Article 9 financial product under SFDR.

The Investment Manager seeks to avoid investing in any investment that it reasonably considers may significantly harm the sustainable investment objectives of the Fund. For the avoidance of doubt, derivatives are not used for investment purposes and therefore not used to contribute in any way to the sustainability objectives of the Company.

For the purposes of the Taxonomy Regulation, the Investment Manager has taken the view that the investments underlying this financial product contribute to climate change mitigation, pollution prevention and control, and the sustainable use and protection of water and marine resources.

The Sub-Fund will only invest in the shares of a company if the Investment Manager in its discretion considers that the target entity delivers a net social or environmental benefit through assessing the investment against the Sustainable Investment Criteria. The Investment Manager will firstly assess company shares based on the ten principles of the United Nations Global Compact for business which cover areas including human rights, labour rights, environmental safeguards and combating bribery and corruption. The Investment Manager will then make a qualitative assessment of the target entity and conclude whether sustainability is a core and long term focus of the target entity. If it is the Investment Manager's opinion that an investee company no longer meets the Sustainable Investment Criteria, the Investment Manager will not make any further investments in that company and will seek to realise in an orderly fashion, its investment in such a company.

### Information concerning Global Exposure

The methodology used to calculate global exposure resulting from the use of financial derivative instrument is commitment approach. The global exposure is calculated in accordance to the CSSF Circular 11/512 & ESMA guidelines 10-788.

'ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Foresight SICAV      Legal entity identifier: 213800LZGPD92VU1F304

Sustainable investment objective

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective: 44.95%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective: 50.47%</b>	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



## To what extent was the sustainable investment objective of this financial product met?

The sustainable objective of the Fund is to invest in companies that deliver a net social or environmental benefit. In determining whether a company delivers a net social or environmental gain, the Investment Manager assesses company shares based on the ten principles of the United Nations Global Compact for business which cover areas including human rights, labour rights, environmental safeguards and combating bribery and corruption. In addition, the Investment Manager conducts an in-house sustainability assessment involving detailed fundamental research for all current and future holdings to ensure a positive net social or environmental benefit is achieved.

The Investment Manager is confident that the sustainable investment objective of the Foresight SICAV has been met over the reporting period. All new investments into the SICAV portfolio have been passed through the Fund's sustainable investment process to ensure alignment with its sustainable investment objective. Further, all existing holdings have been continuously assessed to ensure that they remain compliant with the Fund's sustainable investment mandate.

During the reference period the Fund continued to invest across its core sectors of sustainable infrastructure and renewable energy. As such, the Investment Manager is confident that the underlying investments contributed to the following environmental objectives: climate change mitigation, pollution prevention and control, and the sustainable use and protection of water and marine resources.

### ● *How did the sustainability indicators perform?*

For the Fund, each company's sustainability credentials (i.e., UN Global Compact Assessment, affiliations and firm sustainability strategy) are tracked and reviewed on an ongoing basis to ensure alignment against the sustainable investment objective. The Investment Manager expects continual progression against key sustainability themes such as advancements to a net zero economy and alignment across all ten principles of the United Nations Global Compact. Each investment is tracked and reported against based on its social and environmental impact.

Though the SICAV was originally planning to use slightly different sustainability indicators, it became apparent that using the PAIs would be an effective way to enhance the Fund's sustainable investment processes and amplify the quality of the SICAV's sustainability disclosures and reporting. The sustainability disclosures now used have high levels of coverage and accuracy and are highly appropriate when tracking the sustainability performance of the SICAV. The SICAV's prospectus is in the process of being updated to reflect these more appropriate sustainability indicators.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

The sustainability indicators used by the investment manager performed well and were appropriate markers against which to assess each company's sustainability credentials relating to UN Global Compact alignment and a firm sustainability strategy. The indicators used were the recommended PAIs and included:

- 1) Scope 1 GHG Emissions
- 2) Scope 2 GHG Emissions
- 3) Scope 3 GHG Emissions
- 4) Total GHG Emissions
- 5) Carbon footprint
- 6) GHG intensity of investee companies
- 7) Share of investments in companies active in the fossil fuel sector
- 8) Share of non-renewable energy consumption and non-renewable energy production if investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
- 9) Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
- 10) Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
- 11) Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
- 12) Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
- 13) Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
- 14) Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
- 15) Average unadjusted gender pay gap of investee companies
- 16) Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
- 17) Share of investments in investee companies involved in the manufacture or selling of controversial weapons



As these indicators assessed both the environmental and social impacts of holdings as well as looking at specific UN Global Compact alignments, the sustainability indicators were assessed to be highly appropriate for the Foresight SICAV sustainable investment process.

Out of the 20 PAIs that the SICAV reports against, the Investment Manager was able to gain accurate and broad data on 17 of these PAIs which is key to measuring the portfolio's performance against the SICAV's sustainable investment objective. For further quantitative assessment of how the Foresight SICAV performed against the aforementioned sustainability indicators, the Fund's PAI reports for the reporting period can be found here:

<https://media.umbraco.io/foresight/4umapuvi/foresight-sicav-august-2022-pai-report.pdf>

<https://media.umbraco.io/foresight/rk5ia0hr/foresight-sicav-november-2022-pai-report.pdf>

<https://media.umbraco.io/foresight/3pjbumx5/foresight-sicav-feb-2023-pai-report-1.pdf>

<https://media.umbraco.io/foresight/dihae2uo/foresight-sicav-may-2023-pai-report-1.pdf>

- ***...and compared to previous periods?***

N/A

- ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

The Investment Manager completed robust due diligence for every investment in the Fund and continually monitors the companies against the Ten Principles of the UN Global Compact. In addition, a sustainability framework is conducted for every investment by the Investment Manager's in-house sustainability research function. This is to ensure that every investment provides either a net social or environment benefit, and that no investment will cause any significant harm to the environmental or social sustainable investment objective of the Fund. If an investee company no longer meets the Sustainable Investment Criteria, the Investment Manager will re-evaluate the position and divest if needed.

The Fund's PAI reports for the reporting period can be found here:

<https://media.umbraco.io/foresight/4umapuvi/foresight-sicav-august-2022-pai-report.pdf>

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

<https://media.umbraco.io/foresight/rk5ia0hr/foresight-sicav-november-2022-pai-report.pdf>

<https://media.umbraco.io/foresight/3pjbumx5/foresight-sicav-feb-2023-pai-report-1.pdf>

<https://media.umbraco.io/foresight/dihae2uo/foresight-sicav-may-2023-pai-report-1.pdf>

--- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Environmental and social indicators for adverse impacts on sustainability factors were considered in the Investment Manager's investment process and were analysed through the Fund's Sustainable Investment Criteria. This included ensuring that holdings within the Fund met the ten principles of the United Nations Global Compact, had a net social or environmental benefit, and did not significantly harm (DNSH) the sustainable investment objective of the Fund.

The mandatory PAIs from Table 1 of Annex 1 are explicitly taken into account during both pre-investment due diligence and post-investment analysis and monitoring. During pre-investment due diligence the PAIs are assessed as each potential portfolio holding is taken through Foresight SICAV's sustainable investment process. For post investment analysis Foresight SICAV releases a quarterly PAI assessment which is available on the Foresight SICAV website. Aside from the mandatory PAIs of Table 1 of Annex 1, the Foresight SICAV also assesses the following voluntary Table 2 PAIs: 1) Share of investments in investee companies without water management policies 2) Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas.

--- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund invests in companies that are evaluated against each of the Ten Principles of the UN Global Compact, encompassing Human Rights and Labour as two "Principles" that are particularly relevant to the sustainable investment objective of the Fund. The Investment Manager ensured, through conducting an in-house sustainability assessment, that all holdings within the Fund met the key elements of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This assessment utilised Company reporting materials and involved direct company engagement in order to form a detailed review of these factors.



## How did this financial product consider principal adverse impacts on sustainability factors?

The Foresight SICAV considered the PAIs on sustainability factors in all investment decisions taken. The PAIs are a formal consideration during the product's sustainable investment process and are assessed in pre-investment due diligence and post-investment monitoring.

In addition, the Investment Manager has a policy that the Fund's sustainable investments do not cause significant harm (DNSH) to any sustainable investment objective and will assess whether a company, sector or industry poses potential risks to the environment and society.

PAIs considered during the period are:

- 1) Scope 1 GHG Emissions
- 2) Scope 2 GHG Emissions
- 3) Scope 3 GHG Emissions
- 4) Total GHG Emissions
- 5) Carbon footprint
- 6) GHG intensity of investee companies
- 7) Share of investments in companies active in the fossil fuel sector
- 8) Share of non-renewable energy consumption and non-renewable energy production if investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
- 9) Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
- 10) Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
- 11) Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
- 12) Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
- 13) Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises

- 14) Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
- 15) Average unadjusted gender pay gap of investee companies
- 16) Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
- 17) Share of investments in investee companies involved in the manufacture or selling of controversial weapons

For further quantitative assessment of how the Foresight SICAV performed against the aforementioned sustainability indicators, the Fund's PAI reports for the reporting period can be found here:

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<https://media.umbraco.io/foresight/rk5ia0hr/foresight-sicav-november-2022-pai-report.pdf>

<https://media.umbraco.io/foresight/3pjbumx5/foresight-sicav-feb-2023-pai-report-1.pdf>

<https://media.umbraco.io/foresight/dihae2uo/foresight-sicav-may-2023-pai-report-1.pdf>

Where the Investment Manager finds a risk of potential adverse impacts of its investments, it will also look to engage with its holdings to address these concerns. Over the reference period, the Investment Manager has engaged with its holdings within the solar industry to understand how it approaches and mitigates supply chain risks revolving human rights abuses. Further, the Investment Manager has looked to engage with underlying holdings over their biodiversity impacts and is in the process of creating a biodiversity whitepaper through which it can recommend best practices to its underlying holdings.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/06/2022 – 31/05/2023.

Rank	Largest Investments	Quarterly Average	GICS Industry Name	Country
1	Infratil	5.77%	Industrial Conglomerates	New Zealand
2	Easterly Government Properties	5.38%	Office REITs	United States
3	Transurban Group	4.63%	Transportation Infrastructure	Australia
4	Cellnex Telecom	4.46%	Diversified Telecommunication	Spain
5	3i Infrastructure	4.37%	Industrial Conglomerates	United Kingdom
6	Brookfield Renewable Partners	4.16%	Independent Power and Renewables	Canada
7	Innergex Renewable Energy	3.92%	Independent Power and Renewables	Canada
8	Greencoat Renewables	3.60%	Independent Power and Renewables	United Kingdom
9	Northland Power	3.54%	Independent Power and Renewables	Canada
10	Boralex	3.36%	Independent Power and Renewables	Canada
11	Equinix	3.28%	Specialised REITs	United States
12	NextEra Energy Partners	3.22%	Independent Power and Renewables	United States
13	Cordiant Digital Infrastructure	3.15%	Capital Markets	United Kingdom
14	Healthcare Realty Trust	3.15%	Health Care REITs	United States

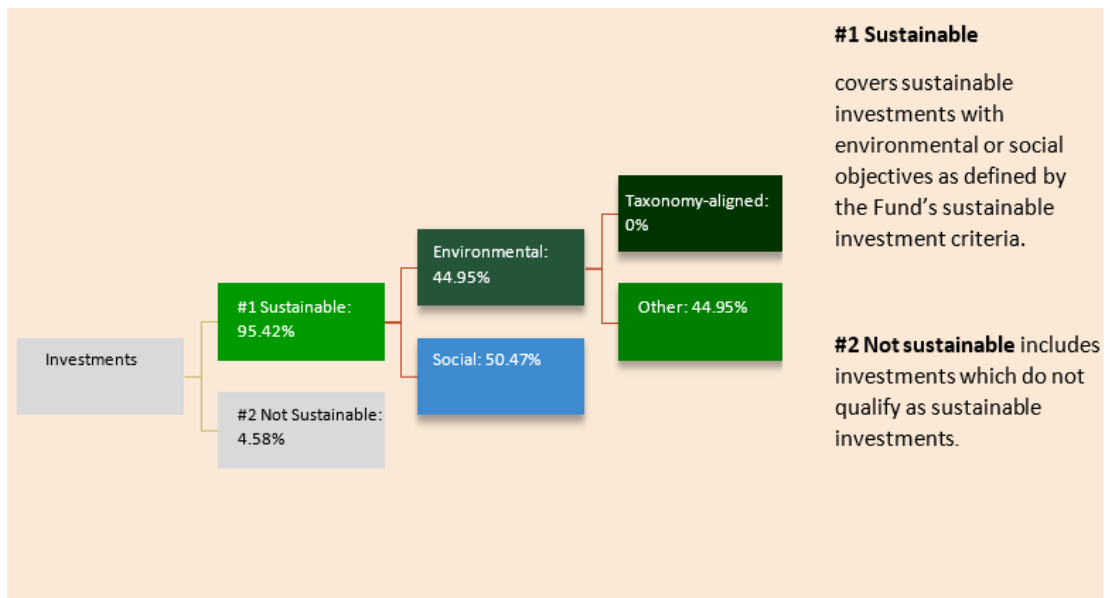
15	American Tower Corp.	3.11%	Specialised REITs	United States
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## What was the proportion of sustainability-related investments?

95.42%.

### ● What was the asset allocation?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities are economic activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

The Fund makes use of the revenue-weighted method to ascertain the percentage of a specific holding's revenues aligned with social, environmental or not sustainable factors. Once this number has been ascertained a portfolio-weighted method is used for the purpose of generating a figure that provides a portfolio-wide assessment of revenues aligned to social, environmental, or not sustainable factors.

95.42% of the Fund's investments were sustainable investments, with the remaining 4.58% referencing the portfolio exposure to cash and cash equivalents. 44.95% of the Fund's sustainable investments were aligned with environmental considerations with 0% deemed to be taxonomy-aligned. This was as only a small percentage of the holdings disclose any information pertaining to alignment against the EU Taxonomy. There is anticipation that in due course a more accurate alignment will be provided given the Fund's Sustainable Investment Criteria and an increase in the number of

holdings who report, which will be aided by the Fund’s focus on sustainable infrastructure and renewable energy and ultimately will allow there to be a better representation of the investment product’s alignment to the EU Taxonomy. 50.47% of the Fund’s sustainable investments aligned with social factors.

● *In which economic sectors were the investments made?*

Industry Name and Sub-Sector	Portfolio Exposure
<b>Independent Power and Renewables</b>	<b>33.98%</b>
Renewable Electricity	33.98%
<b>Specialised REITs</b>	<b>11.13%</b>
Data Center REITs	5.86%
Telecom Tower REITs	5.27%
<b>Healthcare REITs</b>	<b>10.13%</b>
Healthcare REITs	10.13%
<b>Industrial Conglomerates</b>	<b>10.08%</b>
Industrial Conglomerates	10.08%
<b>Financial Services</b>	<b>6.35%</b>
Multi-Sector Holdings	3.88%
Specialised Finance	2.47%
<b>Diversified Telecommunication</b>	<b>5.70%</b>
Alternative Carriers	0.86%
Integrated Communication	4.84%
<b>Capital Markets</b>	<b>4.84%</b>
Asset Management & Custody Bank	4.84%
<b>Transportation Infrastructure</b>	<b>4.76%</b>
Highways & Railtracks	4.76%
<b>Office REITs</b>	<b>4.59%</b>
Office REITs	4.59%
<b>Electric Utilities</b>	<b>3.86%</b>
Electric Utilities	3.86%
<b>Unclassified</b>	<b>3.23%</b>
Unclassified	3.23%
<b>Grand Total</b>	<b>98.65%</b>

As the Fund’s companies are predominantly located within sustainable infrastructure or renewable energy sectors, their own share of revenues derived from fossil fuels is minimal. The Fund’s exposure to fossil fuels is through legacy natural

gas assets of underlying holdings and natural gas distribution through pipeline infrastructure. This is less than 5% in a total asset breakdown of the Fund’s portfolio.



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Investment Manager has analysed the portfolio and only a small percentage of the holdings disclose any information pertaining to alignment against the EU Taxonomy. There is anticipation that in due course a more accurate alignment will be provided given the Fund’s Sustainable Investment Criteria and an increase in the number of holdings who report, which will be aided by the Fund’s focus on sustainable infrastructure and renewable energy and ultimately will allow there to be a better representation of the investment product’s alignment to the EU Taxonomy. The Fund does not target a minimum % of alignment with the EU Taxonomy.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas  In nuclear energy

No

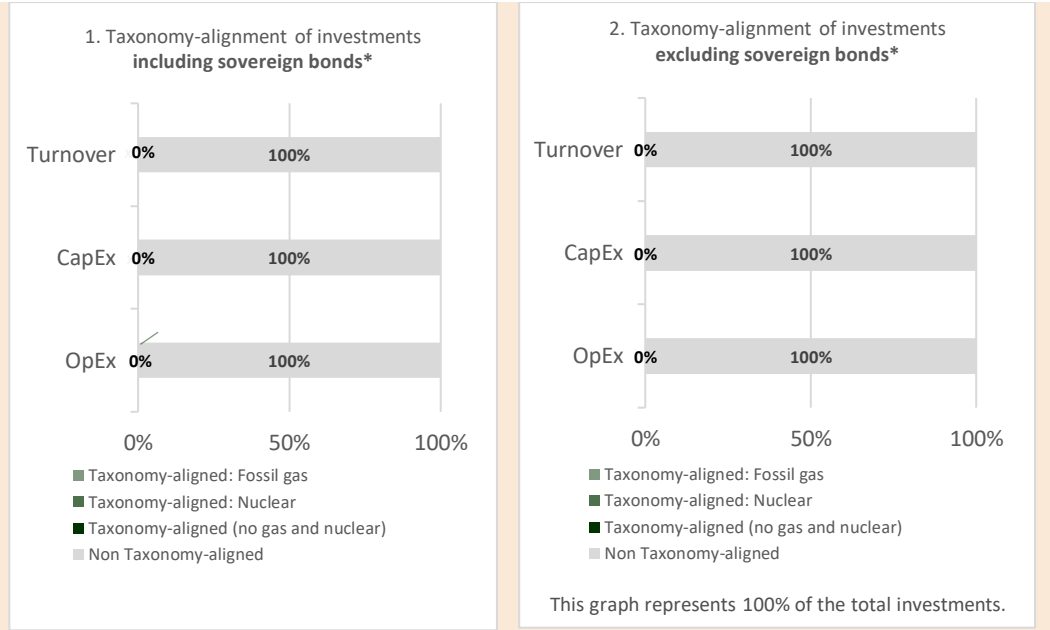
*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

Taxonomy-aligned activities are expressed as a share of:


- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.






\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What was the share of investments made in transitional and enabling activities?**

The Investment Manager has analysed the portfolio and only a small percentage of the holdings disclose any information pertaining to alignment against the EU Taxonomy. There is anticipation that in due course a more accurate alignment will be provided given the Fund's Sustainable Investment Criteria and an increase in the number of holdings who report, which will be aided by the Fund's focus on sustainable infrastructure and renewable energy and ultimately will allow there to be a better representation of the investment product's alignment to the EU Taxonomy. The Fund does not target a minimum % of alignment with the EU Taxonomy.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

The Fund does not target a minimum % of alignment with the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

44.95%. Foresight SICAV invested in sustainable investments with an environmental objective that were not aligned with the EU Taxonomy. This is as the Fund does not target a minimum % of alignment with the EU taxonomy.



### **What was the share of socially sustainable investments?**

At the end of the product's fiscal year, 50.47% of Foresight SICAV's revenue was deemed to be aligned with socially sustainable investments.



### **What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

At the end of the product's fiscal year, 4.58% of Foresight SICAV's revenue was deemed to be "not sustainable". This reflected the exposure of the portfolio to cash and cash equivalents.

Cash and cash equivalents were held in the portfolio as they ensure liquidity for investor redemptions, cover operational costs, seize investment opportunities, manage market risks, and facilitate distributions. Additionally, they help meet regulatory liquidity requirements, act as a buffer for market downturns, and provide flexibility for asset rebalancing, contributing to the OEIC's overall financial stability and efficient operations. As these funds were held in deposit accounts and highly-liquid money market vehicles, their potential for adverse impacts on social or environmental factors is negligible.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

During the reference period, the sustainable investment process for the Foresight SICAV has not been changed and has been followed appropriately. As such, the Fund has attained its sustainable investment objective by following the below processes:

The Fund has only invested in the shares of a company if the Investment Manager in its discretion considered that the relevant company delivered a net social or environmental benefit. In addition, companies were evaluated against each of the Ten Principles of the UN Global Compact (UNGC Principles) and an in-house sustainability assessment involving detailed fundamental research for all holdings was done to ensure alignment with the sustainable investment objective of the Fund on an ongoing basis.

Further, in line with the UNGC Principles and Foresight Group's exclusion policy, the Fund has not invested directly or indirectly in companies that:

- are violating any of the UNGC Principles;
- are focusing on (i) the production or trade in products or activities deemed illegal under applicable laws or banned through international convention; (ii) the supply or purchase of sanctioned products, goods or services to or from countries or regions covered by international sanction; (iii) the production of or trade in weapons, or technology which is subject to existing international prohibitions; (iv) gambling; and (v) tobacco (together, the Exclusion Criteria).

Where it was the Investment Manager's opinion on an investee company that it no longer met the Fund's Sustainable Investment Criteria, the Investment Manager has not made any further investments in the company and has sought to realise in an orderly fashion its divestment in such a company.

Finally, the Investment Manager has continued to assess the good governance practices of its investee companies. For capital intense, listed infrastructure companies, evaluating governance quality forms a central part of the due diligence process. The Investment Manager actively engages with holding companies, which includes meeting with management teams and board members, asset visits, and an ongoing assessment of corporate strategy. Voting research is provided by a third-party proxy advisor, which is a leading independent provider of global governance services that specialises in providing a variety of fiduciary-level proxy-related services to institutional investment managers, custodians, consultants, and other institutional investors. The proxy advisor provides the Investment Manager with additional research to engage with company votes that arise. Engagements are logged and voting records are available to the public each quarter. Once the initial investment is made, changes to any factors mentioned will be monitored on an ongoing basis.

The Foresight SICAV approaches each financial year with a set of thematic engagement strategies. From June 2022 to May 2023, the Foresight SICAV engaged with 6 underlying holdings on specific thematic issues. The key issue raised with these underlying holdings was to become a signatory to the UN Global Compact. Beyond becoming a signatory to the UN Global Compact, Foresight SICAV also engaged with underlying holdings and requested additional information to be disclosed publicly on how sustainability is integrated into their investment process and to improve their public environmental disclosures, especially in relation to how effectively they have hit their internally set targets. Further, the Investment Manager has looked to engage with underlying holdings over their biodiversity impacts and is in the process of creating a biodiversity whitepaper through which it can recommend best practices to its underlying holdings.

Below are two examples of engagements held underlying holdings of the Foresight SICAV:

Date	Holding	Overview	Outcome
Jun-22	Sequoia Economic Infrastructure	Wide-ranging discussion held on the investment process behind certain investments held within the holding's portfolio with a specific focus on how environmental considerations are factored in. The Investment Manager was informed that ESG principles were applied in three ways across the portfolio: negative screening, thematic investing and ESG scoring. Overall, the portfolio has shown progression with a significant number of the lowest-scoring loans being sold or allowed to roll off naturally at their maturity and new investments typically scoring higher than the ones that they replace. This trend is expected to continue and SEQI believe that scoring framework will allow them to continue to allocate capital towards sectors and borrowers who are able to demonstrate excellent ESG characteristics.	Investment Manager happy with SEQI's sustainable investment process.
Feb-23	Cordiant Digital Infrastructure	FCM indicated that they would like CORD to become signatories of the UN Global Compact. Mark Tiner, CFO of CORD, shared the Investment Manager's comments on UNGC compliance with CORD's in-house ESG team which monitor ESG compliance across all Cordiant's funds. Mark outlined that while they're not formal signatories of the UN Global Compact, the Company and its investment vehicles are in full alignment with the UNGC Principles, and additionally work with investees to ensure their alignment as well. During due diligence, the ESG team requests prospective investees disclose on a number of sustainability issues, among them compliance with the UNGC Principles. Thereafter, CORD continues to monitor and track investee compliance and alignment throughout the lifetime of an investment, predominantly through the use of an Annual Monitoring Questionnaire.	The Investment Manager will monitor CORD's attempts to become UNGC signatories and CORD will remain a holding in the Foresight SICAV.



**How did this financial product perform compared to the reference sustainable benchmark?**

N/A

***How did the reference benchmark differ from a broad market index?***

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A