

Foresight launches new open-ended investment fund investing into global real infrastructure

- **FP Foresight Global Real Infrastructure Fund (GRIF) will invest in shares of companies owning and operating real infrastructure and renewable energy assets that are listed in developed markets**
- **GRIF has a targeted annual return of more than 3% above inflation (as measured by UK CPI)**
- **Sustainability plays an integral role in stock selection and the UN Global Compact 10 Principles are embedded into the investment policy**
- **The Fund complements market-leading FP Foresight UK Infrastructure Income Fund (FIIF), accessing assets with similar qualities of low correlation and low volatility but with different geopolitical drivers for added diversification**

London, 03 June 2019: Foresight Group LLP (“Foresight”) has launched the FP Foresight Global Real Infrastructure Fund (“GRIF” or “the Fund”). The Fund, which has received FCA regulatory approval, will be actively managed and will invest directly into publicly listed companies that own and operate real infrastructure or renewable energy assets globally. It is targeting a total return of more than 3% per annum above the rate of UK inflation (measured by UK CPI).

GRIF’s model portfolio has consistently outperformed both UK and global equity markets over the last five years, delivering higher returns, paired with lower volatility than the FTSE All Share Index and the FTSE All World Index. Foresight attributes the outperformance to the focus on real infrastructure, which is defined as companies that own and operate real assets with long-term, inflation-linked contracts attached, rather than cyclical equity infrastructure companies that are active in the broader infrastructure environment without true infrastructure characteristics.

Sustainability is a key consideration in the investment team’s stock selection process. The fund will invest only in the shares of companies that the team assesses deliver a net social or environmental benefit and comply with the ten principles of the United Nations Global Compact for business.

As traditional sources of income face structural issues, renewable energy and infrastructure become increasingly attractive asset classes and a mainstay of investing for diversification. These assets are often characterised by stable, project-level cashflows and deliver predictable income with lower volatility, low correlated to traditional asset classes.

Ahead of the Fund’s launch, Foresight conducted research with 144 advisers that revealed a strong appetite for global infrastructure amidst fears of a sustained downturn, Brexit uncertainty and market instability. An overwhelming majority (80%) of advisers now expects to see more global infrastructure funds recommended to clients as the asset class continues to become more mainstream. 66% of advisers expect to see clients’ allocations to global infrastructure increase over the next three years - more than double the number since 2017 when just 32% of advisers predicted it would become more popular.¹

GRIF will draw from an investible universe of ~91 listed renewable and infrastructure investment companies from a global pool of 5,700 companies. The Fund will invest in a diverse portfolio of companies that own and operate assets ranging from solar power and geothermal generation plants to medical office buildings and storage facilities that have strong public sector counterparties and stable, predictable demand. –These listed companies have a combined market capitalisation of ~£180bn and have grown in number by 259% since 2010.²

1. Research conducted online with 144 UK financial advisers in May 2019

2. Bloomberg data October 2018

The Fund will build on the success of the FP Foresight UK Infrastructure Income Fund (FIIF), which celebrated its first anniversary in December 2018 and delivered a full year yield of 5.35%. More recently, the Fund was ranked number one across total return, maximum drawdown and standard deviation by CityWire Selector on a one-year basis for two consecutive months.

Nick Scullion, Head of Foresight Capital Management and lead Fund Manager of the new global fund said: *“The launch of the new FP Foresight Global Real Infrastructure Fund marks an exciting evolution in the way that investors can access the infrastructure asset class. The Fund invests exclusively in the shares of companies that own and operate physical infrastructure assets and contracts that typically benefit from long-dated, index-linked, government backed cash flows that have historically shown low volatility and low correlation to equity markets. The global approach provides access to assets in geographies that benefit from these attractive characteristics while providing diversification across asset type, regulation and sovereign risk, and currencies from multiple developed markets. The Fund is designed to act as a shock absorber to bring stability to portfolios during a period of anticipated volatility.”*

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NOTES FOR EDITORS

About Foresight Group LLP ("Foresight"):

Foresight is a leading independent infrastructure and private equity investment manager which has been managing investment funds on behalf of institutions and retail clients for more than 35 years.

Foresight has £2.9 billion of Assets Under Management across a number of funds, including Listed Vehicles, Limited Partnerships, Enterprise Investment Schemes (EISs), Venture Capital Trusts (VCTs) and Inheritance Tax Solutions using Business Property Relief (BPR).

Foresight's Private Equity team, comprising 24 investment professionals, pursues four discrete but complementary investment styles: Venture, Impact, Growth and Replacement Capital through its growing regional office network.

Foresight was voted 'Best VCT Investment Manager' at the 2017 Growth Investor Awards, having been previously awarded 'VCT House of the Year' at the 2016 Unquote British Private Equity awards. Foresight was recently a shortlisted finalist in the 2018 Unquote British Private Equity Awards as Venture and Growth Capital House of the Year. Foresight was recently named 'Fund Manager of the Year' at the PLC Awards.

Foresight is headquartered in London with regional UK offices in Manchester, Nottingham, Milton Keynes, Leicester and Guernsey and international offices in Sydney, Rome, Madrid and Seoul.

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