

# Key Information Document

## PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## PRODUCT

<b>Name:</b> Foresight VCT plc ("the Company")	<b>ISIN:</b> GB00B68K3716
<b>Manufacturer:</b> Foresight VCT plc	<b>Competent Authority:</b> Financial Conduct Authority (FCA No. 651585)
<b>Contact Details:</b> The Company can be contacted through its Chair, Margaret Littlejohns: miglittlejohns@gmail.com	<b>Date:</b> This key information document (KID) has been produced by the board of directors of the Company for publication on 26 July 2021
	<b>Manager:</b> Foresight Group LLP

**You may be about to purchase a product that is not simple and may be difficult to understand**

## WHAT IS THIS PRODUCT

<b>Type:</b>	The product is the ordinary shares of 1p each (Shares) of the Company, a Venture Capital Trust (VCT) and a public limited company, traded on the London Stock Exchange as a Closed Ended Investment Fund and incorporated in the United Kingdom. The Company can only be wound up with the consent of shareholders or creditors.
<b>Objectives:</b>	To provide private investors with regular dividends and maintained capital value from a portfolio of investments in fast-growing unquoted companies in the UK. The value of the Shares, and income therefrom, will depend on the performance of the underlying investments. It is also the Company's objective to continue to qualify as a Venture Capital Trust so that shareholders benefit from various available tax reliefs.
<b>Intended retail investor:</b>	Retail investors, aged 18 or over, who are UK tax-payers and intend to invest for at least 5 years. VCT investing is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from the investment.
<b>Notes:</b>	Shares of the Company are bought and sold via the London Stock Exchange. Typically, at any given time on any given day the price you pay for a share will be higher than the price at which you can sell it.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you sell at an early stage and you may get back less than you originally invested. You may not be able to sell your shares easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose value because of adverse movements in the markets or poor investment performance. The summary risk indicator for this product is calculated using the methodology prescribed by reference to historical share price levels. Based on the methodology this product is classified as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and suggests that adverse market conditions in future would be unlikely to lead to a significant loss in the value of your investment. The Board is concerned that this classification does not fully recognise the risks of investment in early stage businesses in which the Company has to invest in order to qualify as a VCT. Shareholders and prospective shareholders should therefore be aware that the classification may indicate an unrealistically low level of the risk involved in this investment. Other risks include Economic, Political, VCT Tax, Regulatory and Market risks. The Board and the Manager seek to mitigate all these risks through various policies and procedures and further details regarding the risks applicable to this Company may be obtained from the Company website and the annual report and accounts.

Capital will be at risk as the value of investments may go down as well as up and is not guaranteed and therefore investors may not get back the amount originally invested. Past performance is not a guide to future performance. This product does not include any protection from future adverse market performance so you could lose some or all of your investment.

Performance Scenarios	Investment £10,000 Scenarios	1 year	3 years	5 years (Recommended minimum holding period)
		<b>Stress</b>	<b>£5,960</b>	<b>£7,184</b>
	What you might get back after costs	-40.4%	-10.4%	-8.1%
	Average return each year			
<b>Unfavourable</b>	<b>£9,375</b>	<b>£9,073</b>	<b>£8,944</b>	
	What you might get back after costs	-6.2%	-3.2%	-2.2%
	Average return each year			
<b>Moderate</b>	<b>£10,119</b>	<b>£10,385</b>	<b>£10,659</b>	
	What you might get back after costs	1.2%	1.3%	1.3%
	Average return each year			
<b>Favourable</b>	<b>£10,964</b>	<b>£11,934</b>	<b>£12,752</b>	
	What you might get back after costs	9.6%	6.1%	5.0%
	Average return each year			

**NB:** Performance has been based on historical share price total return with dividends reinvested.

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where you are unable to sell your shares.

This product cannot be easily sold. This means it is difficult to estimate how much you would get back if you sell your shares. You may either be unable to sell early or you may have to pay high costs or make a large loss if you do so. Your maximum loss would be that you will lose all your investment.

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your adviser or distributor. The figures do not take into account your personal tax situation or any initial VCT income tax relief, which may also affect how much you get back. The tax legislation of your home Member State may have an impact on your actual net proceeds.

**Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.**

## WHAT HAPPENS IF FORESIGHT VCT PLC IS UNABLE TO PAY OUT?

The Company is not required to make any payment to you in respect of your investment. As a Shareholder you have no access to the Financial Services Compensation Scheme and would not be able to make a claim to the FSCS about Foresight VCT plc. A default by the Company or any of the underlying holdings could affect the value of your investment. Should the Company be liquidated, the amount you receive for your holding will be based on the value of assets available for distribution after all other liabilities have been paid.

## WHAT ARE THE COSTS?

**Table 1: Costs over Time** The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The person selling you, or advising you about, this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time. This does not take into account any penalties that may be incurred by HM Treasury for selling prior to the 5 year minimum holding period required to be eligible for tax relief.

Investment: £10,000 Scenarios	If you sell after 1 year	If you sell after 3 years	If you sell after 5 years
<b>Total costs</b>	<b>£760</b>	<b>£1,151</b>	<b>£1,536</b>
Impact of return (RIY) per year	7.60%	3.92%	3.17%

**Table 2: Composition of Costs** The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended minimum holding period;
- the meaning of the different cost categories.

### This table shows the impact on return per year

<b>One off costs</b>	<b>Entry Costs</b>	5.5%	The impact of the costs you pay when acquiring your investment. This is the most you will pay, and you could pay less.
	<b>Exit Costs</b>	n/a	The impact of the costs of exiting your investment.
<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	n/a	The impact of the costs of the Manager buying and selling underlying investments within the VCT i.e. investee companies.
	<b>Other ongoing costs</b>	2.1%	The impact of the costs taken each year for managing your investment. This takes into account the Manager's annual management charge and the other running costs associated with the fund, including directors' remuneration, registrar's fees, audit fees, listing fees etc. Please note that annual ongoing charges, excluding any performance fees, are capped at an amount equal to 2.4% of net assets of the Company.
<b>Incidental costs</b>	<b>Performance fees</b>	1.0%	The Manager may be entitled to a performance fee three years following the realisation of each investment subject to (i) an individual investment growth hurdle of 4% plus RPI (compounded) (ii) a total NAV return hurdle (NAV plus dividends) averaged over the subsequent 3 years from the realisation of the investment. The amount of the performance fee is 20% of the excess over the investment growth hurdle. More detail can be found in the Company's latest annual report and accounts.
	<b>Carried interests</b>	n/a	There are no carried interests.

Depending on how you buy these shares you may incur other costs, including broker commission and platform fees. The distributor will provide you with additional information where necessary. Distribution costs may arise.

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

### RECOMMENDED MINIMUM HOLDING PERIOD: 5 YEARS

You should be prepared to hold your shares for a minimum of 5 years as VCTs are intended to have a long investment horizon. An investment in the Company should be considered as a long-term investment.

The Company does not have a fixed winding up date and therefore, unless shareholders voted to wind up the Company, you will only be able to realise your investment through the market. You may sell your investments within the recommended holding period without penalty fee, although any VCT tax reliefs will be forfeited.

The Company's share price is quoted on the London Stock Exchange so, provided there is a willing buyer, you may realise your investment through a stockbroker or share dealing account. VCT shares sold in the secondary market do not qualify for initial income tax relief and there is, therefore, a limited number of buyers and it may take time to sell your VCT shares. The price you receive on the open market may therefore not reflect the underlying net asset value of the shares. The Company aims, but is not committed, to offer liquidity to shareholders through a share buyback policy, subject to cash availability, at a target discount of approximately 10% to net asset value. The buybacks are conducted at the Board's discretion, therefore there are no guarantees that shares can always be sold on request. In line with regulations governing public companies, there are specific periods when buybacks are limited, such as when the Company is preparing its annual and half-yearly reports and accounts.

The secondary market for VCT shares is generally illiquid and you may find it difficult to realise your investment.

## HOW CAN I COMPLAIN?

The Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available from it on request. Should an investor have a complaint about the product or this KID, the investor should contact the Chair, Margaret Littlejohns at [miglittlejohns@gmail.com](mailto:miglittlejohns@gmail.com) or the Manager at Foresight Group LLP, The Shard, 32 London Bridge Street London SE1 9SG; +44 (0)20 3667 8100; [www.foresightgroup.eu](http://www.foresightgroup.eu). Where the investor is categorised by the Manager as an eligible complainant, if for any reason the investor is dissatisfied with the Manager's final response, the investor is entitled to refer its complaint to the Financial Ombudsman Service (FOS). A leaflet detailing the procedure involved will be provided in the Manager's final response.

## OTHER RELEVANT INFORMATION?

The cost, performance and risk calculations included in this key information document follow the methodology prescribed by EU rules.

Tax reliefs are available but the amount and type of tax relief you can claim depends on your personal circumstances, the particular scheme you invest in and certain conditions you are required to meet. These reliefs are NOT included in any of the scenarios above and you should seek professional advice if you are unsure about this aspect.

The latest annual report and accounts of the Company can be found at <https://www.foresightvct.com>. Please contact Foresight Group LLP for further information.