

Reporting date:

31 March 2024

IMPAX Environmental
Markets plc

Impax Environmental Markets plc

Annual General Meeting – 20th May 2024

For professional¹, qualified, sophisticated or wholesale investors only. This is a marketing communication. Not for further distribution.

¹“Professional and Institutional investor” within the meaning of the EU Directive 2014/65/EU on markets in financial instruments (MiFID II) and the UK Financial Conduct Authority COBS 3.5; “Qualified investor” as defined by CISA, Switzerland. All data as at March 2024 unless stated otherwise.

Important information

Investment objective

The Company's objective is to enable investors to benefit from growth in the markets for cleaner or more efficient delivery of basic services of energy, water and waste. Investments are made predominantly in quoted companies which provide, utilise, implement or advise upon technology-based systems, products or services in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management (which includes sustainable food, agriculture and forestry).

Investors should read the Prospectus before investing which is available at: www.impaxam.com Please refer to Impax's ESG Policy for more details

Marketing communication

This marketing communication does not include sufficient detail to enable the recipient to make an informed decision. Please refer to the Prospectus and latest Annual Report which set out the investment objective, policy, maximum leverage and principal risk factors faced by the Company.

The value of an investment in the Company, and any income derived from it, may fluctuate and can go down as well as up depending on a number of factors.

The main factors likely to affect future returns from an investment in the Company include:

Changes in general economic and market conditions **such** as currency exchange rates, interest rates, rates of inflation, industry conditions, tax laws, political events, policy development, technological change and any other factors that may cause price movements, volatility or illiquidity in the market generally.

Fluctuations in the value of the Company's underlying investments, particularly those investments in companies with small capitalisations and/or unlisted securities, which are likely to be subject to higher valuation uncertainties and liquidity risks than companies with larger capitalisations and other securities listed or traded on a regulated market.

Events or conditions impacting the Company's investments in companies operating in environmental markets, such as governments altering the regulatory and financial support for environmental improvement, costs of technology not falling or increasing, reduced or deferred capital spending by customers or products or services not being adopted. Increased risks arising from borrowing by the Company. If investment markets fall in value, any borrowing will enhance the level of loss.

Shares of the Company may trade at a discount or a premium to Net Asset Value for variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you initially invested.

Other risks arising from events which are outside of the Company's control, such as the Covid-19 pandemic and the conflict in Ukraine.

Board of Directors

Glen Suarez, Chairman of the Board, Management Engagement and Sustainability Reporting Committees

Aine Kelly, Senior Independent Director and Chairman of the Nomination Committee

Stephanie Eastment, Chairman of the Audit Committee

Guy Walker, Chairman of the Remuneration Committee

Elizabeth Surkovic, Non-executive Director

Investment Managers

Jon Forster, Co-Portfolio Manager

Fotis Chatzimichalakis, Co-Portfolio Manager

Bruce Jenkyn-Jones, Co-Portfolio Manager



Ordinary Resolutions

1 - 12

Special Resolutions

13 - 17



Ordinary Resolutions

ORDINARY RESOLUTIONS	% Votes For ¹	% Votes Against	No. Votes Withheld
1) To receive the Annual Report	99.98	0.02	11,866
2) To approve the Directors' Remuneration Policy	99.91	0.09	56,634
3) To approve the Directors' Remuneration Report	99.91	0.09	57,318
4) To approve the Distribution Policy	99.98	0.02	14,990
5) To re-elect Glen Suarez as a director	99.95	0.05	24,748
6) To re-elect Aine Kelly as a director	99.96	0.04	24,748
7) To re-elect Stephanie Eastment as a director	99.97	0.03	24,748
8) To elect Guy Walker as a director	99.95	0.05	26,672
9) To elect Elizabeth Surkovic as a director	99.96	0.04	24,748
10) To re-appoint BDO LLP as auditor	99.96	0.04	48,282
11) To authorise the Audit Committee to fix the remuneration of the auditor	99.96	0.04	32,344
12) To give the Directors authority to allot new shares	99.96	0.04	11,622

⁵ ¹including discretionary votes



Special Resolutions

SPECIAL RESOLUTIONS	% Votes For ¹	% Votes Against	No. Votes Withheld
13) Authority to allot equity securities and/or sell Treasury shares free from pre-emption rights	99.95	0.05	10,711
14) To give the Company authority to purchase its own shares	97.14	2.86	9,457
15) To authorise the calling of a general meeting (other than AGMs) on 14 clear days' notice	99.62	0.38	8,969
16) To adopt new Articles of Association	87.33	12.67	29,027
17) To approve cancellation of the share premium account (subject to sanction of the High Court)	99.96	0.04	22,509

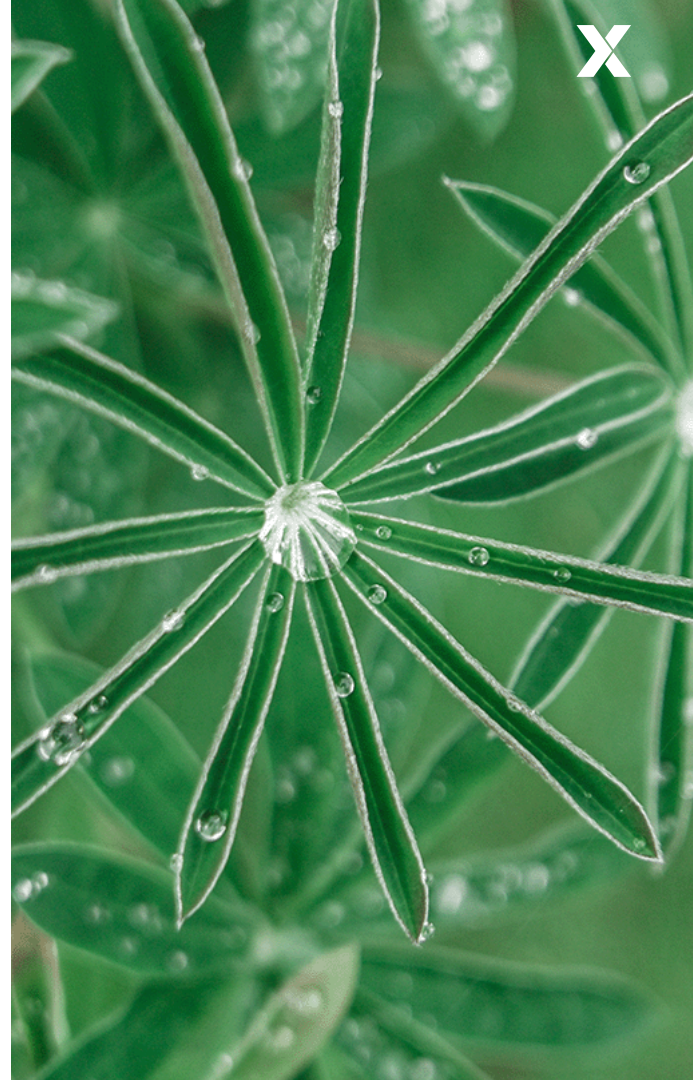
Full details of the resolutions and proxy votes cast will be announced to the London Stock Exchange and published on the Company's website

www.impaxenvironmentalmarkets.co.uk

Investment Manager's Presentation



IEM is founded on the belief that, with **insatiable demand** for higher living standards on a **finite planet**, companies enabling the **cleaner and more efficient delivery of basic needs** – such as power, water and food – or **mitigating environmental risks** like pollution and climate change, will **grow earnings faster** than the global economy over the long-term.

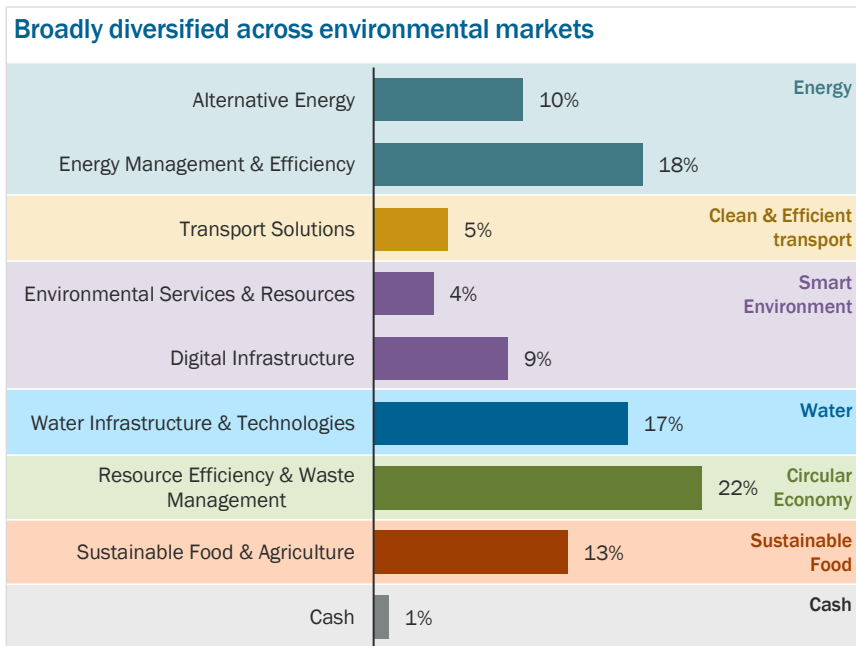


Impax Environmental Markets plc overview



Impax Environmental Markets plc seeks to achieve sustainable, above market returns over the longer term by investing in the growing resource efficiency and environmental markets.

Strategy type	Long-only global equities
Investing style	GARP*
Predominant cap size	Small and mid-cap
Thematic revenue exposure	Min 50%
Universe / A-List	~1500 / ~260 companies
Holdings	55 - 65 stocks
Turnover ratio	~20% - 30% p.a.
Typical tracking error ¹	4 - 8%
AUM	£1.2bn (Strategy AUM: £3.3bn) ²
Launch date	March 2002
Portfolio managers	Bruce Jenkyn-Jones, Jon Forster, Fotis Chatzimichalakis Embedded within largest global specialist investment team
Independent Board	Five directors (all independent); Chaired by Glen Suarez
Discount control	Proactive approach to share issuance & buy backs
Net Gearing	6.11% of NAV



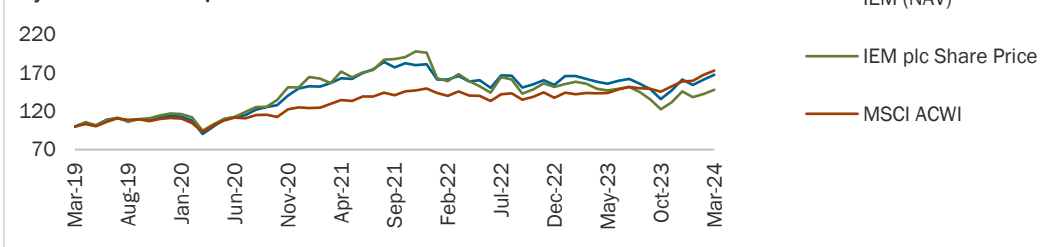
Data as at 31 March 2024. *GARP: growth at a reasonable price. 1% p.a. ex-post, over 5 years, versus MSCI ACWI. ²Total AUM of strategy including some that may not be included in the GIPS composite. See appendix for further information. Please see the GIPS® Disclosure page for additional information on the composite. Benchmark references are selected based on their investment orientations which were deemed comparable to the investment vehicles.

Performance to 31 March 2024 (GBP) versus MSCI ACWI

Past performance does not predict future returns.

Annualised returns (%)	3M	1Y	3Y	5Y	10Y	SI ¹
IEM (NAV)	4.01	3.51	2.26	10.89	11.10	7.72
IEM plc Share Price	1.37	-4.97	-1.89	8.15	11.10	7.18
MSCI ACWI	9.19	20.60	10.15	11.61	11.72	8.30

5 year cumulative performance: Rebased to 100 at start



Rolling 12m performance (%)

	MAR-23 TO MAR-24	MAR-22 TO MAR-23	MAR-21 TO MAR-22	MAR-20 TO MAR-21	MAR-19 TO MAR-20	MAR-18 TO MAR-19	MAR-17 TO MAR-18	MAR-16 TO MAR-17	MAR-15 TO MAR-16	MAR-14 TO MAR-15
IEM (NAV)	3.51	-2.41	5.87	73.71	-9.75	7.59	4.99	33.85	7.30	5.34
IEM plc Share Price	-4.97	-7.43	7.34	66.16	-5.70	14.98	11.85	33.04	7.26	5.53
MSCI ACWI	20.60	-1.43	12.42	38.94	-6.74	10.46	2.37	32.23	-1.20	18.39

Calendar year performance (%)

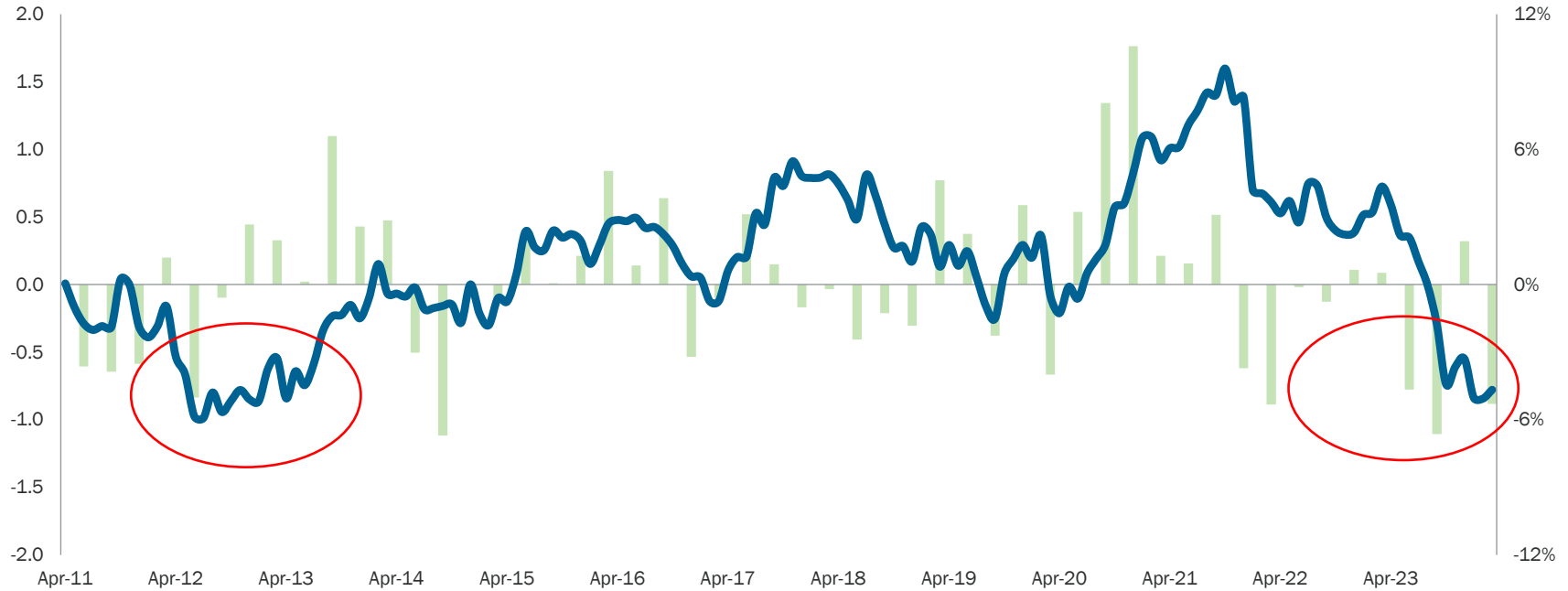
	2024 YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015
IEM (NAV)	4.01	4.53	-14.95	21.33	30.95	30.61	-10.78	16.39	37.33	5.95
IEM plc Share Price	1.37	-3.71	-22.83	30.08	28.88	32.92	-0.42	18.68	37.39	5.84
MSCI ACWI	9.19	15.31	-8.08	19.63	12.67	21.71	-3.78	13.24	28.66	3.29

Figures refer to the past and that past performance is not a reliable indicator of future results. Benchmark references are selected based on their investment orientations which were deemed comparable to the investment vehicles.

Periods of material short-term divergence typically revert



Annualized Rolling 3-Year Information Ratio (LHS, blue line) vs. Quarterly Excess Return vs. MSCI ACWI (RHS green bars)

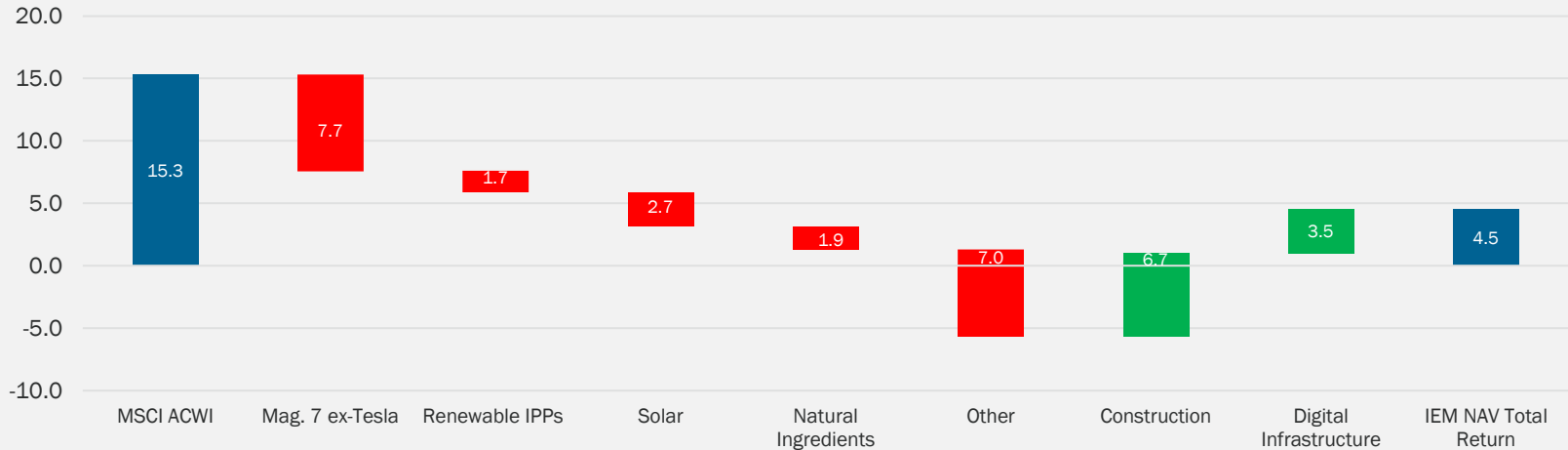


Figures refer to the past and that past performance is not a reliable indicator of future results. Data based on gross performance. If net performance was used, returns would be lower.

Source: Bloomberg as at 31 March 2024. Data based on Specialists composite. Composite performance is shown gross of fees, assumes reinvestment of income and capital gains, and periods over one year are annualised. Impax Asset Management claims compliance with Global Investment Performance Standards (GIPS®). Please refer to the GIPS report which can be found at the back of this document.

Improving signals in relation to headwinds experienced in 2023

IEM Performance Waterfall vs MSCI ACWI (%)



- Not holding Mag. 7 ex-Tesla the largest headwind in 2023 (-7.7%) but more mixed performance year to date.
- Within “Other” (-7%), +2% contribution from owned vs -9% headwind from not owned positions
- IPPs: M&A activity in private markets flagging value not recognised in public markets
- Solar: destocking remains an ongoing challenge
- Natural Ingredients: Early stages of end market recovery complemented by corporate activity and restructuring

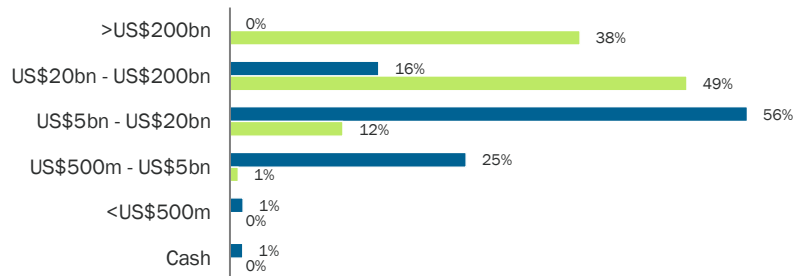
Figures refer to the past and that past performance is not a reliable indicator of future results. Contribution data based on gross performance. If net performance was used, returns would be lower.



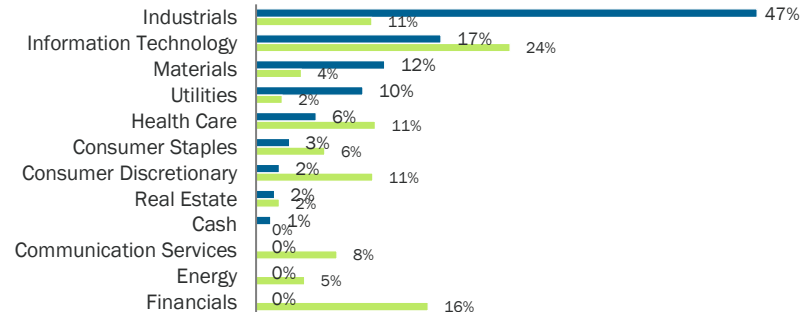
Relative positioning

Market cap

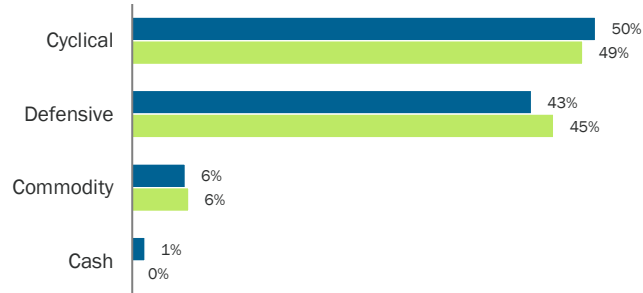
(WTD AV¹: US\$12BN vs MSCI ACWI: US\$525BN)



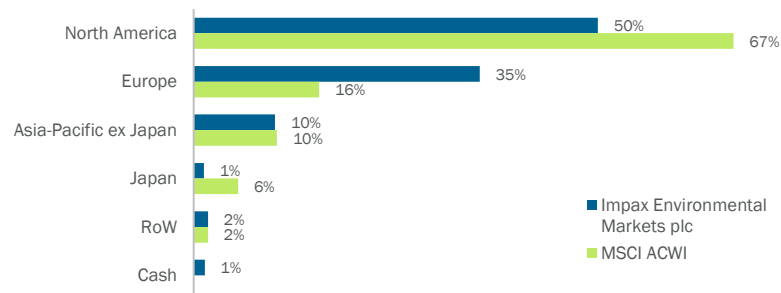
GICS sector allocation



Cyclical and defensive end market allocation²



Regional breakdown³



Source: Bloomberg. Data as at 31 March 2024. Charts may not add up to 100% due to rounding. ¹WTD AVG: weighted average. ³Stability of demand during economic upturns and downturns.

Impax Environmental Markets plc - Trades 2023 & YTD



31 March 2023

Bought				
Stock	End Weight %	Region	Country	EM Sub-Sector
2023				
DABUR INDIA LTD	1.51	Asia Pacific	India	Recycled, Recyclable Products & Biomaterials
KINGSPAN GROUP PLC	2.01	Europe	Ireland	Buildings Energy Efficiency
MONDI PLC	1.48	Europe	United Kingdom	Food Safety & Packaging
PRYSMIAN SPA	1.62	Europe	Italy	Smart & Efficient Grids
SHENZHEN INOVANCE TECHNOLO-A	1.78	Asia Pacific	China	Railways
SHIMANO INC	1.28	Asia Pacific	Japan	E-Bikes & Bicycles
STERIS PLC	1.52	North America	United States	Resource Circularity & Efficiency
VERALTO CORP	0.98	North America	United States	Environmental Testing & Monitoring
Q1 2024				
CATL	1.23	Asia Pacific	China	Transport Solutions

Sold			
Stock	Region	Country	EM Sub-Sector
2023			
AIRTAC INTERNATIONAL GROUP	Asia Pacific	Taiwan	Industrial Energy Efficiency
GIANT MANUFACTURING	Asia Pacific	Taiwan	E-Bikes & Bicycles
SMURFIT KAPPA GROUP PLC	Europe	Ireland	Food Safety & Packaging
Q1 2024			
DIALIGHT PLC	Europe	United Kingdom	Energy Management & Efficiency
INDRAPRASTHA GAS LTD	Asia Pacific	India	Alternative Energy

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that the securities identified and discussed were or will be profitable. Source: Bloomberg. Data as of 31 December 2023.

Contemporary Amperex Technology (CATL)



Producer of batteries for electric vehicles (EVs) and static storage – China

Investment opportunity

CATL is a global market share leader across battery chemistries thanks to a history of technological innovation and competitive pricing. Future growth is expected to be underpinned by structural EV uptake, as well as continued market share gains. When purchased, a temporary slowdown in the pace of EV sales growth created an attractive entry point.

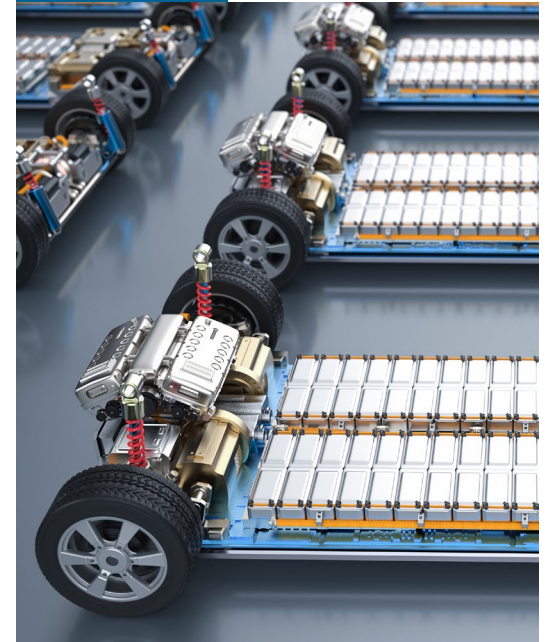
Environmental benefit

EVs are a key tool to decarbonising transport and batteries can make up 30-40% of the overall cost of an EV¹, making leading battery technology and manufacturing essential to reducing the cost of the transition for end consumers. Battery cells are also used for static energy storage, which sees an increasing demand as more renewable (and intermittent) forms of energy generation are installed.

Addressing ESG² risks

The nature of battery supply chains exposes CATL to a wide range of E&S risks, but CATL seeks to address these through minimum standards and monitoring of supplier quality. CATL also provides detailed disclosure of scope 1 and 2 emissions, with scope 3 in the works³. Carbon Neutral targets were announced in 2023. CATL are also industry leaders in addressing supply chain and waste concerns. Areas for engagement include board diversity and structure which is weak, with poor independence at both board and sub-committee level.

CASE STUDY



Created 30 April 2024. References to specific securities are included as an illustration of the investment management strategy and should not be considered as a recommendation to buy or sell. There can be no assurance that any securities discussed herein will remain in strategies managed by Impax and Impax makes no representation that any of the securities discussed were or will be profitable. The selection criteria for case study examples is not based on performance. New additions to the portfolio are prioritized. If no new positions are available, securities are chosen based on portfolio weighting or sector/industry focus. 1 [Visualized: How Much Do EV Batteries Cost? \(visualcapitalist.com\)](https://visualcapitalist.com) . 2 Environmental, Social and Governance. 3

Market leading manufacturer of electrical and fibre optic cables - Italy

Investment opportunity

Prysmian manufactures electrical wires for the power grid, as well as fibre optic cables. Rapid growth in renewables, as well as the electrification of power systems, heating and transport are driving substantial investment in the grid¹. With substantial market share, particularly in the more operationally demanding High Voltage segment, the investment team believes Prysmian is well-placed to benefit².

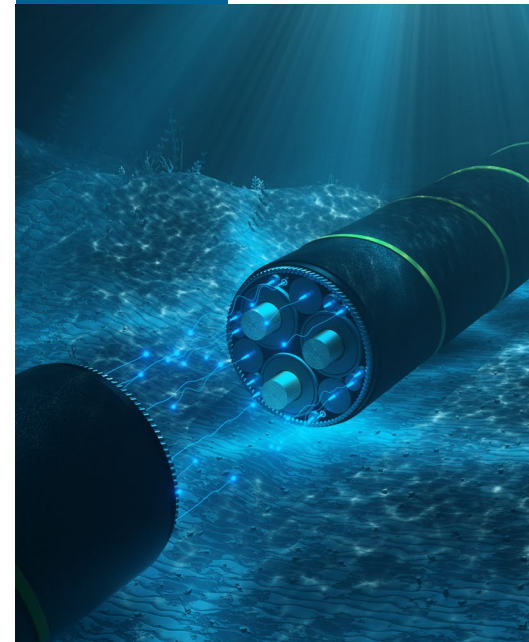
Environmental benefit

Power cables are a crucial enabler of the energy transition. Prysmian provides the cables required for the build out of grid infrastructure that will transport renewable electrons to end users. Prysmian also sells cables that are used as components within wind turbines and solar farms, as well as EV charging infrastructure. Prysmian also sells more efficient building/infrastructure cables.

Addressing ESG risks

Overall Prysmian manages its ESG risks well. The company has SBTi³ targets and comprehensive TCFD⁴ reporting⁵. Areas for improvement more broadly are related to board independence and female representation in management as well as more probing around antitrust investigations that have become a persistent issue since a ruling against the cable industry in 2014⁶.

CASE STUDY

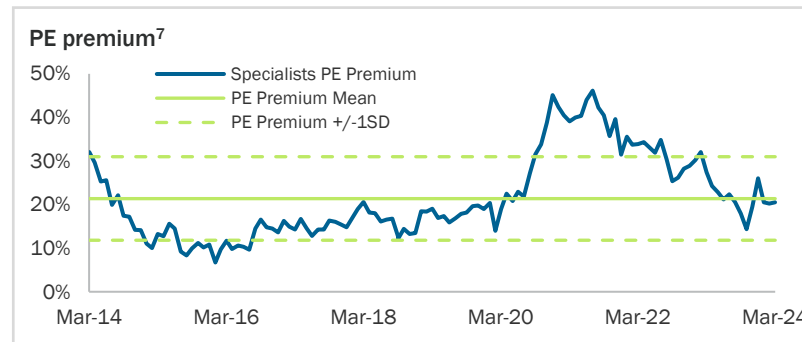
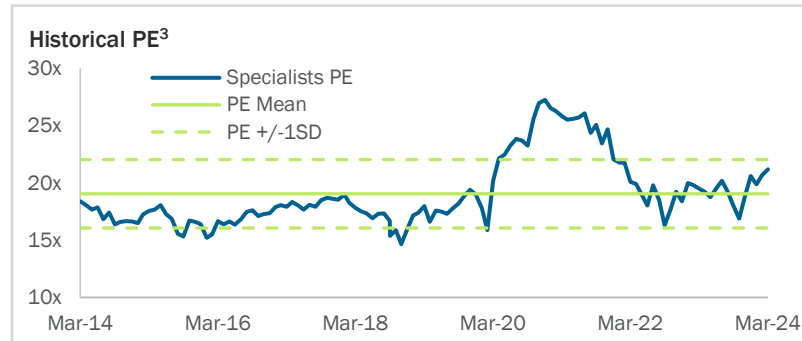
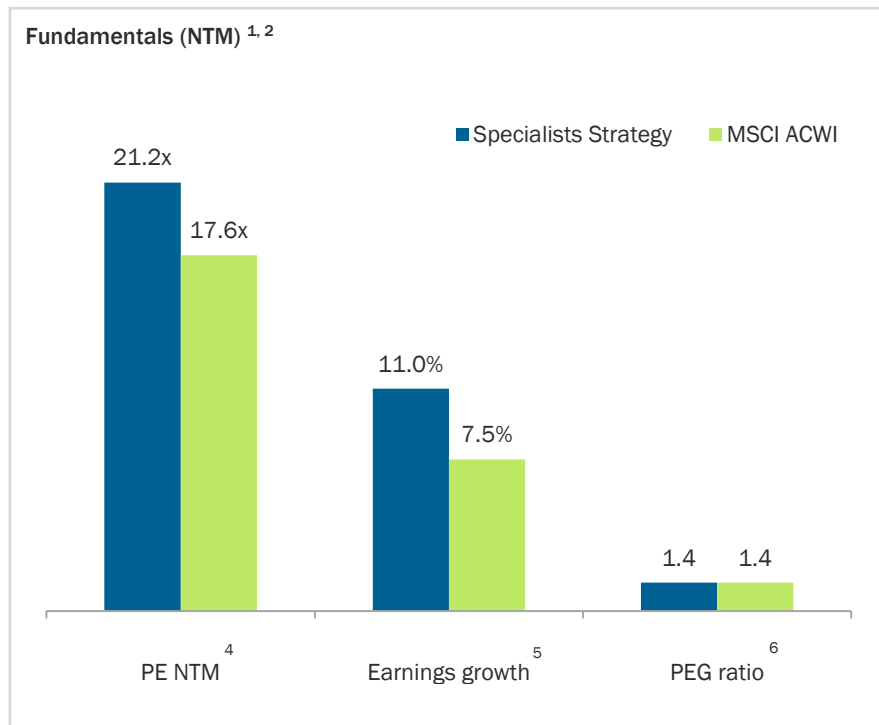


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Specialists strategy



Relative valuation in line with long-term average despite higher earnings growth and stronger thesis



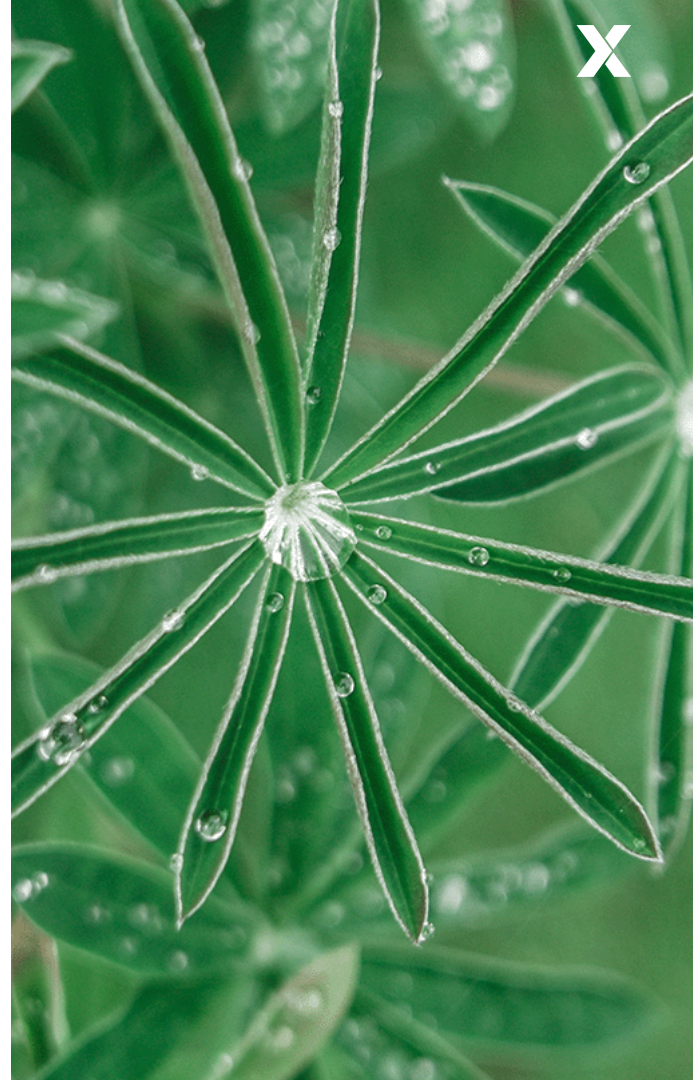
Figures refer to the past and that past performance is not a reliable indicator of future results.

Source: Bloomberg as at 31 March 2024. ¹These are forward looking and there is no guarantee these valuations will be achieved. ²NTM: next twelve months. ³PE: price to earnings. ⁴PE NTM: forward looking price to earnings. ⁵Earnings growth NTM/LTM. ⁶PEG ratio: PE NTM to LTG (long term growth) estimate. ⁷PE Premium: using PE NTM vs MSCI ACWI. This information is presented as supplemental to the GIPS report which can be found at the back of this presentation.

Specialists strategy

Outlook

- **Supportive macro:** stable or lower interest rates tend to be positive for both growth & small/mid-caps in the medium-term, even if timing remains uncertain.
- **Thesis firmly intact:** challenging conditions have led to isolated policy delays, but not changed the end destination for Environmental Markets.
- **Transitory headwinds:** issues which challenged performance in high conviction sectors are starting to abate, such as inventory destocking in Natural Ingredients & Bioprocessing.
- **Earnings growth:** a diversified portfolio of companies harnessing long-term structural trends continues to exhibit above market earnings growth potential.
- **Derated valuations:** the portfolio's premium to the MSCI ACWI is in line with the ten-year average, despite a materially stronger investment case.



Thank you



Questions for the Board and Manager





Appendix





Our classification of environmental markets




Energy 	
Alternative energy	Energy management & efficiency
Hydrogen	Smart grids
Biofuels	Industrial, consumer & buildings efficiency
Wind	Power storage and un-interruptible power supply
Solar	Lighting
Developers & independent power producers	

Clean and efficient transport 	
Transport solutions	
Advanced aviation	Buses & coaches
Advanced shipping	Road vehicles & devices
Railways	Pollution reduction
E-bikes & bicycles	Shared mobility

Smart environment 	
Environmental services & resources	Digital infrastructure
R&D & consultancies	Efficient IT
Finance & investment	Cloud computing
Testing & monitoring	Digital collaboration solutions
Pollution control	Environmental resources

Water 	
Water infrastructure & technologies	
Distribution & infrastructure	
Treatment	
Efficiency	
Utilities	

Circular economy 	
Resource efficiency & waste management	
General & hazardous waste management	
Recycled, recyclable products & biomaterials	
Resource circularity & efficiency	
Technologies	

Sustainable food 	
Sustainable food & agriculture	
Organic & alternative	Agri- & aquaculture
Technology & logistics	Forestry
Safety & packaging	

22 During the period 2007-2020, Impax worked with FTSE to develop and manage the FTSE Environmental Markets Index Series, which were seminal in benchmarking environmental markets. In 2021, FTSE launched its own FTSE Russell Green Revenues data model to manage the indices, with members of the Impax team on the Advisory Committee.



Top ten holdings by weight (%)

Stock	Sub-sector	Country ¹	Weight (%)
PENTAIR PLC	Water Distribution & Infrastructure	United States	3.0
AALBERTS NV	Water Distribution & Infrastructure	Netherlands	2.9
STERICYCLE INC	Hazardous Waste Management	United States	2.8
PTC INC	Efficient IT	United States	2.7
CLEAN HARBORS INC	Hazardous Waste Management	United States	2.5
DSM-FIRMENICH AG	Sustainable Agriculture	Netherlands	2.5
SPIRAX-SARCO ENGINEERING PLC	Industrial Energy Efficiency	United Kingdom	2.1
LITTELFUSE INC	Industrial Energy Efficiency	United States	2.1
GRAPHIC PACKAGING HOLDING CO	Food Safety & Packaging	United States	2.0
BRAMBLES LTD	Resource Circularity & Efficiency	Australia	2.0
TOTAL			24.5

References to specific securities are included as an illustration of the investment management strategy and should not be considered as a recommendation to buy or sell. Source: Bloomberg. Data as at 31 March 2024. ¹Geographic allocation by country of listing, MSCI classification if available.

Gearing facility

1

Board and Manager agreed tolerance for up to **10%** gearing

2014

2

Existing **£50.3** million facility, which has been in place **since 2018**, up for renewal

September 2023

3

Board decision to refinance the existing facility with long-term structural debt

H1 2023



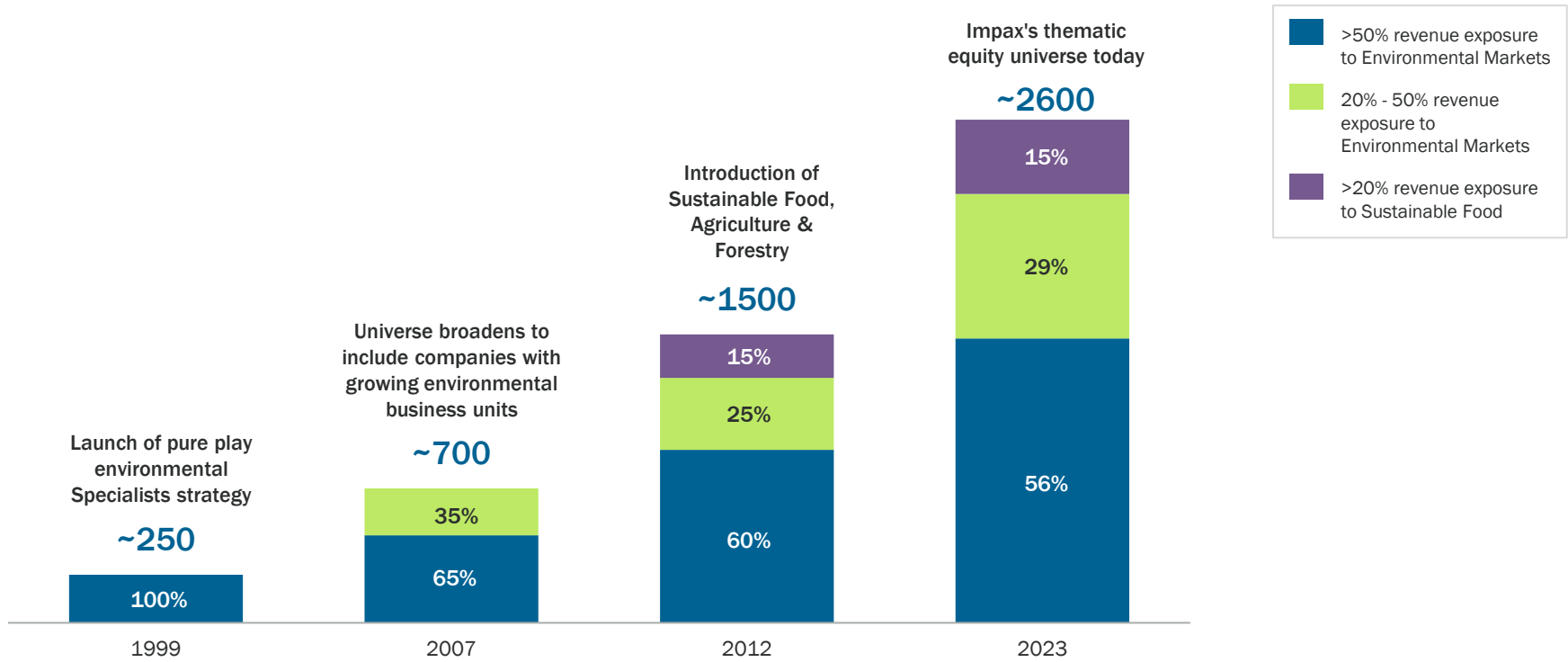
Principal amount	Maturity	Interest rate
€20mn	7y	Floating: 6m EURIBOR + 1.35%
€30mn	10y	Fixed: 4.48%
€10mn	12y	Fixed: 4.63%

- Privately placed notes managed by Pricoa Private Capital (part of PGIM, Inc).
- Additional **£35m** revolving credit facility (RCF) with Scotiabank with 2-year maturity and floating rate interest. Facility fully drawn.
- The RCF, together with the Notes, results in approximately **7% gross gearing** and a mix of fixed and floating rate debt.

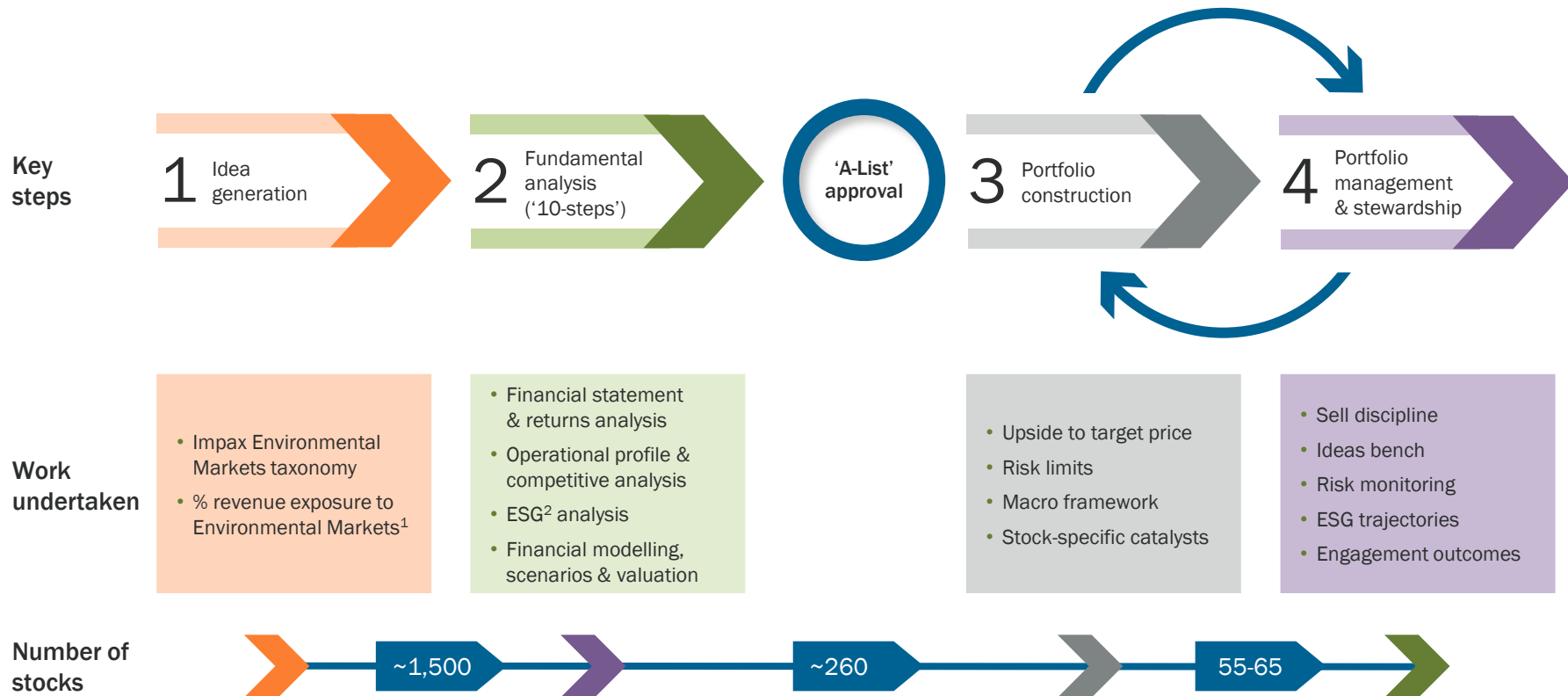
The 20+ year transformation of the Environmental Markets



Number of companies in Impax's environmental universe



Specialists strategy investment process overview



Data as at 31 March 2024.

¹Investments are made in “pure-play” small and mid-cap companies which have a minimum of 50% of their underlying revenue generated by sales of products or services in environmental markets.

²Environmental, Social, and Governance.

Specialists strategy team

Leveraging an integrated global investment team



Specialists strategy portfolio team



Jon Forster
Portfolio Manager

Portfolio Management & Research Analysts

Sector, thematic and regional expertise with integrated ESG analysis

Team members

51

Industry experience
(average years)

18



Bruce Jenkyn-Jones
Portfolio Manager

Quantitative Research Group

Risk advisory and alpha research

5

25



Fotis Chatzimichalakis
Portfolio Manager

Sustainability Centre

Sustainability & policy research, engagement, thought leadership

18

16

Trading & Implementation

Dedicated operational support to streamline implementation process and timeline

9

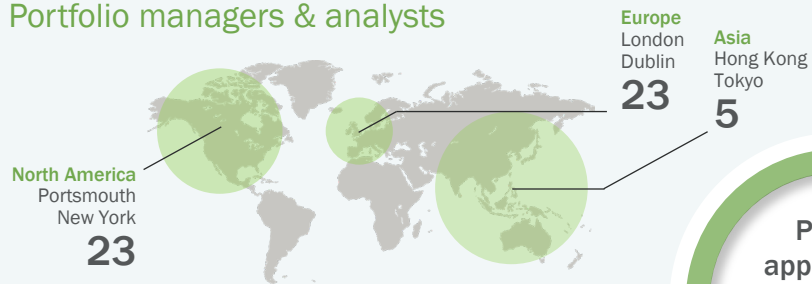
14



As at 31 March 2024. There are 51 portfolio managers & analysts, including 40 equity team members and 11 fixed income team members. Two portfolio managers are also members of the Quantitative Research Group. Team member numbers include the individuals shown on strategy portfolio team. Portfolio management & research analysts and trading & implementation teams include listed equities and fixed income coverage.



Portfolio managers & analysts



Listed investment team resources

(Name, years of experience)

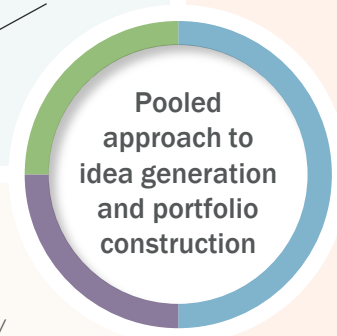
CIO Office: Bruce Jenkyn-Jones, **33** / Hubert Aarts, **33** / Charles French, **27**

Portfolio Specialists: Barbara Heap, **35** / Harrison Shea, **10** / Kanatta Kyazze, **16** / Robb Ruhr, **25** / Roberto Bosch, **16** / Tom Morris Brown, **11**

Quantitative Research: Simon Higgo, **32** / Steve Falci, **41** / Christine Cappabianca, **16** / Sai He, **10** / Scott LaBreche, **24**

Sustainability Centre: Lisa Beauvilain, **24** / Chris Dodwell, **28** / Celeste Cole, **25** / Charlie Donovan, **31** / David Loehwing, **26** / Greg Hasevlat, **14** / Heather Smith, **16** / Julie Gorte, Ph.D., **25** / Ludovic Lenders, **2** / Michael Damoah, **2** / Miriam Benarey, **7** / Nana Li, CPA, **9** / Nicholas Sawakis, **4** / Nicola Fritz, **36** / Paolo Macri, **15** / Robyn Lockyer, **6** / Shahbano Soomro, **8** / Thea Cheung, **4**

Trading & Implementation: Andrea Ball, **10** / Dean Palin, **30** / Danielle Fregeau, **7** / Kevin Schneider, **32** / Matthew Chiasson, **1** / Neil Visawadia, **12** / Rehman Zulafqar, **5** / Shaun Yanosick, **16** / Giulia Ciocci, **10**



Equity sector focus

(Name, years of experience)

Communication Services

Barbara Browning, **33**
Curtis Kim, **19**
David Winborne, **22**
Harry Boyle, **19**
Paul Peng, **9**

Consumer Discretionary

Adam Liang, **6**
Amber Fairbanks, **22**
Barbara Browning, **33**
Diederik Basch, **18**
Mackenzie Clark, **8**
Manish Bishnoi, **16**
Shingo Ito, **4**
Victor Benavides, **19**

Energy

Harry Boyle, **19**
Jon Forster, **30**

Financials

Alan Devlin, **25**
Andy Braun, **32**
Charles French, **27**
Kirsteen Morrison, **36**
Manish Bishnoi, **16**
Nathan Moser, **24**
Victor Benavides, **19**

Health Care

Alyna Shamsi, **1**
Jelena Boskovic, CFA, **16**
Joe Cordi, **10**
Manish Bishnoi, **16**
Nathan Moser, **24**
Nick Martinez, **1**

Industrials

Hubert Aarts, **33**
Jon Forster, **30**
Justin Winter, **21**
Luciano Lilloy, **9**
Matthew Wright, **4**
Max Richards, **3**
Nick Martinez, **1**
Oscar Yang, **16**
Sanjeev Lakhani, **15**
Shingo Ito, **4**
Sid Jha, **15**
William Grey, **2**

Information Technology

Curtis Kim, **19**
David Winborne, **22**
Fotis Chatzimichalakis, **8**
James McCurley, **11**
Paul Peng, **9**
Shingo Ito, **4**

Materials

Justin Winter, **21**
Katy Hutchinson, **8**
Michael Landymore, **41**

Real Estate

Andy Braun, **32**
Pat Sullivan, **8**

Consumer Staples

Adam Liang, **6**
Agne Rackauskaite, **13**
Amber Fairbanks, **22**
Barbara Browning, **33**
Diederik Basch, **18**
Mackenzie Clark, **8**
Michael Landymore, **41**

Utilities

Bruce Jenkyn-Jones, **33**
Harry Boyle, **19**
Justin Winter, **21**
Matthew Wright, **4**
Oscar Yang, **16**

As of 31 March 2024. There are 51 portfolio managers & analysts, including 40 equity team members and 11 fixed income team members. CIOs are also portfolio managers. Listed investment team resources cover both equity and fixed income. Portfolio managers and analysts may have more than one sector focus area. Years of experience calculated as of 31 December 2023 or as of most recent quarter end for employees who joined in 2024.

Company-level ESG evaluation

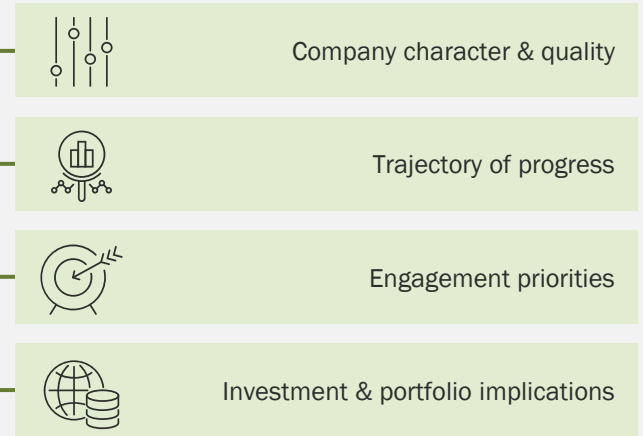


Fundamental, proprietary and integrated risk management tool

Pillars of evaluation



Insights and outputs from evaluation



Past performance does not predict future returns.

	Impax Environmental Markets plc			MSCI ACWI			Attribution			
	Av. weight (%)	Total return (%)	Contr. to return (%)	Av. weight (%)	Total return (%)	Contr. to return (%)	Sector allocation (%)	Stock selection (%)	Currency effect (%)	Total attribution (alpha) (%)
Real Estate	2.0	1.2	0.0	2.3	0.2	0.0	0.0	0.0	0.0	0.0
Consumer Discretionary	2.2	-3.3	-0.1	10.9	6.9	0.8	0.2	-0.1	-0.1	0.0
Energy	0.0	0.9	0.0	4.5	10.7	0.5	0.0	0.0	0.0	0.0
Cash	1.2	-0.2	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	-0.1
Financials	0.0	0.0	0.0	15.9	10.4	1.6	-0.2	0.0	0.1	-0.1
Consumer Staples	3.2	-6.1	-0.2	6.6	3.7	0.2	0.2	-0.4	0.1	-0.1
Health Care	6.2	3.5	0.2	11.4	8.2	0.9	0.1	-0.3	0.0	-0.2
Communication Services	0.0	0.0	0.0	7.5	12.5	0.9	-0.2	0.0	0.0	-0.2
Materials	11.5	4.1	0.5	4.2	2.9	0.1	-0.4	0.1	-0.1	-0.3
Industrials	45.0	7.8	3.5	10.6	10.2	1.1	0.5	-1.2	-0.1	-0.8
Information Technology	17.3	4.0	0.7	23.6	13.1	3.1	-0.2	-1.5	-0.1	-1.8
Utilities	11.4	-8.2	-1.1	2.5	2.6	0.1	-0.7	-1.3	0.0	-2.1
Total	100.0	3.6	3.6	100.0	9.3	9.3	-0.8	-4.7	-0.2	-5.7

Figures refer to the past and that past performance is not a reliable indicator of future results. Data based on gross performance. If net performance was used, returns would be lower.

Contributors/detractors to performance in GBP: YTD to 31 March 2024

Past performance does not predict future returns.

▲ Top 10	Sub-sector	Average weight (%)	Contribution (%)
PENTAIR PLC	Water Distribution & Infrastructure	2.8	0.5
AZEK CO INC/THE	Recycled, Recyclable Products & Biomaterials	1.7	0.5
ADVANCED DRAINAGE SYSTEMS IN	Water Distribution & Infrastructure	1.9	0.4
CLEAN HARBORS INC	Hazardous Waste Management	2.4	0.4
GRAPHIC PACKAGING HOLDING CO	Food Safety & Packaging	2.0	0.4
XINYI SOLAR HOLDINGS LTD	Solar Energy Generation Equipment	1.1	0.4
TRIMBLE INC	Efficient IT	1.7	0.4
AALBERTS NV	Water Distribution & Infrastructure	2.6	0.3
BRAMBLES LTD	Resource Circularity & Efficiency	2.0	0.3
DSM-FIRMENICH AG	Sustainable Agriculture	2.3	0.3
▼ Bottom 10	Sub-sector	Average weight (%)	Contribution (%)
EDP RENOVAVEIS SA	Renewable Energy Developers & Ipps	2.2	-1.0
LEM HOLDING SA-REG	Industrial Energy Efficiency	1.6	-0.4
NIBE INDUSTRIER AB-B SHS	Buildings Energy Efficiency	0.8	-0.3
ORMAT TECHNOLOGIES INC	Renewable Energy Developers & Ipps	1.9	-0.3
VESTAS WIND SYSTEMS A/S	Wind Power Generation Equipment	1.9	-0.2
SOLAREEDGE TECHNOLOGIES INC	Solar Energy Generation Equipment	0.8	-0.2
LITTELFUSE INC	Industrial Energy Efficiency	1.9	-0.2
NORTHLAND POWER INC	Renewable Energy Developers & Ipps	1.9	-0.2
SIGNIFY NV	Efficient Lighting	1.6	-0.1
MONDI PLC	Food Safety & Packaging	1.4	-0.1

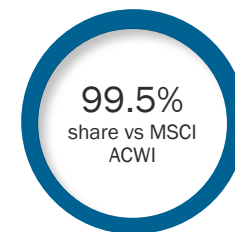
Figures refer to the past and that past performance is not a reliable indicator of future results. Contribution data based on gross performance. If net performance was used, returns would be lower. Holdings are subject to change at any time without notice. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that the securities identified and discussed were or will be profitable.

Risk characteristics (GBP) as at 31 March 2024 vs MSCI All Country World Index

Past performance does not predict future returns.

Relative risk measures (ex-post)	3 years	5 years	10 years	Since inception ¹
	vs MSCI ACWI	vs MSCI ACWI	vs MSCI ACWI	vs MSCI ACWI
Alpha (% p.a.)	-10.1	-3.1	-2.2	-1.2
Beta	1.39	1.28	1.19	1.15
Information ratio	-0.8	-0.1	-0.1	-0.1
Tracking error (% p.a.)	9.4	9.1	7.7	8.8

Absolute risk measures (5 years)	Impax Environmental Markets plc	MSCI ACWI
Volatility (% annualised std dev, ex-post)	18.4	12.8
Sharpe ratio (ex-post)	0.4	0.7



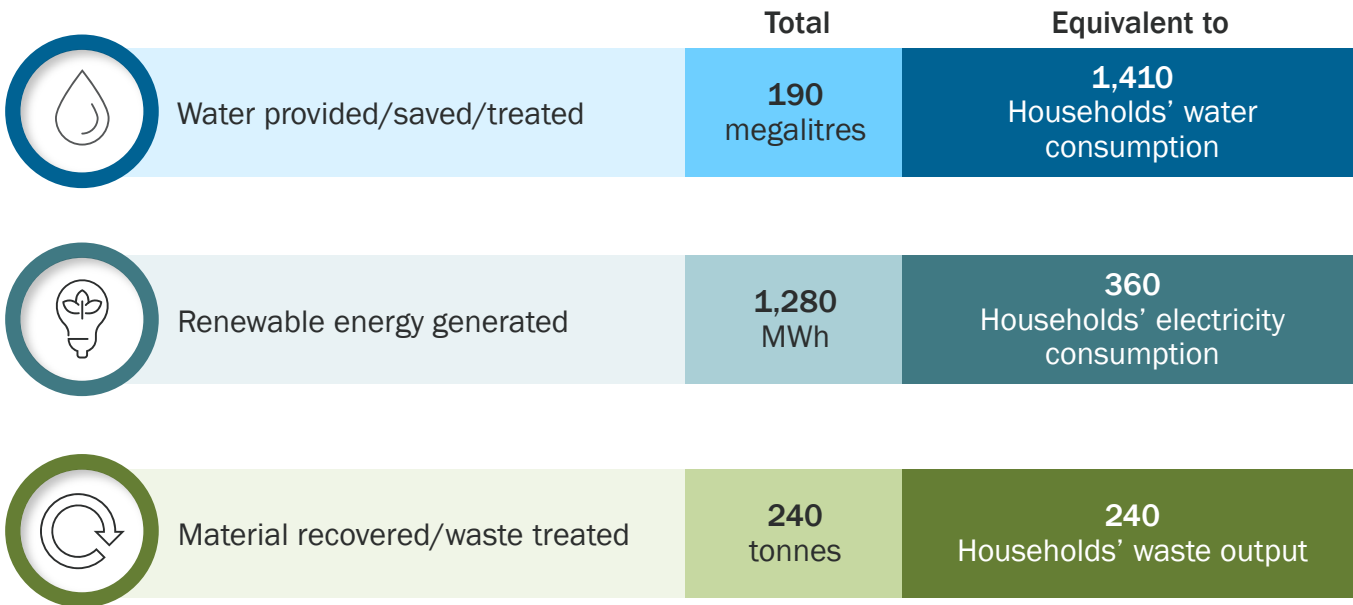
Figures refer to the past and that past performance is not a reliable indicator of future results.

Source: FactSet/Bloomberg as at 31 March 2024. Data calculated based on net returns. ¹First full month since inception: March 2002

Environmental benefits of the Specialists strategy



Based on US\$10m invested, in 2022 the companies in the portfolio contributed to:



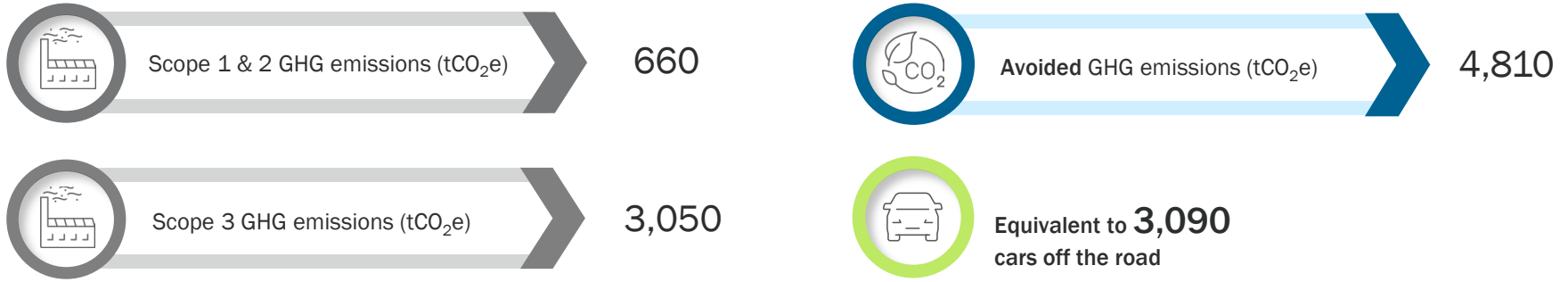
There can be no assurance that results in the future will be comparable to the results presented herein.

Source: Impax Asset Management. Based on most recently reported annual environmental data for holdings and assets under management as of 31 December 2022. Impax's impact methodology is based on equity value. Refer to the Methodology section at the back of the report for further details on methodology and summarised data that was available and estimated for companies in the portfolio.

Carbon profile of the Specialists strategy



Based on US\$10m invested, in 2022 the companies in the portfolio contributed to:

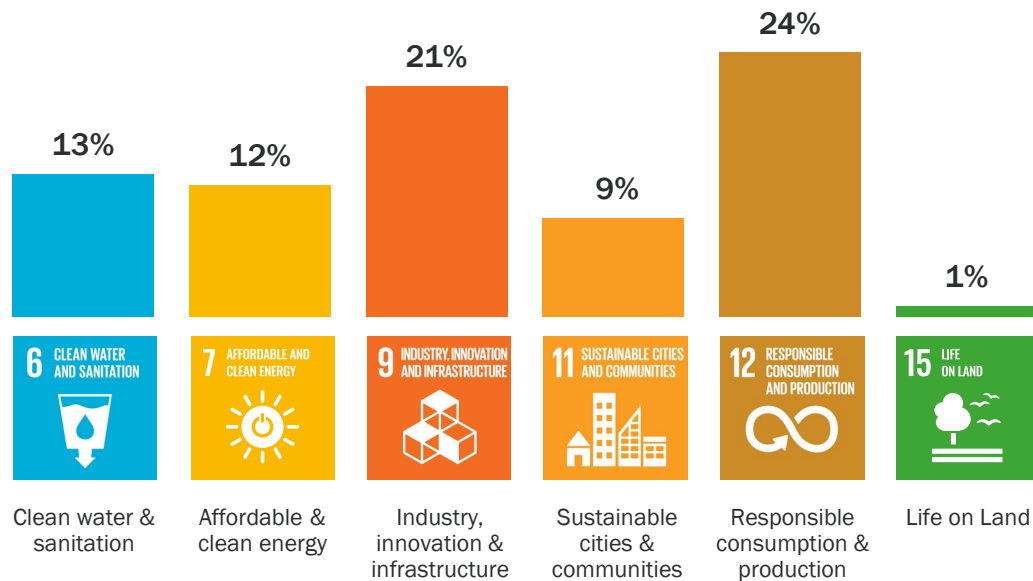


There can be no assurance that results in the future will be comparable to the results presented herein.

Source: Impax Asset Management. Based on most recently reported annual environmental data for holdings and assets under management as of 31 December 2022. Impax's impact methodology is based on equity value. Refer to the Methodology section at the back of the report for further details on methodology and summarised data that was available and estimated for companies in the portfolio.



Mapping the Impax Specialists strategy (representative account) revenue exposure to UN Sustainable Development Goals



Source: Data as at 31 December 2022. The UN SDGs encompass 17 goals. For further information, please visit <http://www.un.org/sustainabledevelopment/sustainable-development-goals>. Figures above are based on Impax internal data. Impax's investment process does not identify alignment with SDGs as a specific objective. Instead, the nature of Impax's investment philosophy results in some meaningful revenue exposure within the Environmental Markets strategies, as well as the Sustainability Lens strategies with emerging market exposure. Mapping to representative account in the composite that we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative account. The characteristics of the representative account shown may differ from those of other accounts in the strategy. Data rounded to nearest full percentage point, therefore weightings less than 0.5% are not included.

Impax Environmental Markets Plc



Sector attribution in GBP: 1Y to 31 March 2024

Past performance does not predict future returns.

	Impax Environmental Markets Plc			MSCI ACWI			Attribution			
	Av. weight (%)	Total return (%)	Contr. to return (%)	Av. weight (%)	Total return (%)	Contr. to return (%)	Sector allocation (%)	Stock selection (%)	Currency effect (%)	Total attribution (alpha) (%)
Energy	0.0	-2.1	0.0	4.8	17.1	0.8	0.2	0.0	0.1	0.4
Consumer Staples	3.4	-14.3	-0.6	7.1	-0.1	-0.1	0.8	-0.6	0.1	0.3
Consumer Discretionary	2.4	4.6	0.1	11.1	17.9	2.0	0.2	-0.2	0.2	0.2
Real Estate	2.0	1.9	0.1	2.3	6.2	0.1	0.1	-0.1	0.0	0.0
Health Care	5.4	-6.0	-0.2	11.7	10.9	1.3	0.7	-0.9	0.1	0.0
Financials	0.0	0.0	0.0	15.7	26.0	4.0	-0.7	0.0	0.5	-0.1
Cash	1.3	-0.3	0.0	0.0	0.0	0.0	-0.3	0.0	0.0	-0.2
Communication Services	0.0	0.0	0.0	7.5	28.5	2.1	-0.5	0.0	0.2	-0.3
Industrials	42.6	19.3	8.1	10.5	22.1	2.3	0.8	-1.7	-0.7	-1.6
Materials	12.2	-11.1	-1.6	4.5	6.8	0.3	-1.1	-2.6	-0.2	-4.0
Utilities	12.3	-15.4	-2.1	2.7	1.4	0.0	-2.0	-2.4	-0.3	-4.7
Information Technology	18.4	0.9	0.0	22.2	39.3	8.3	-0.5	-7.0	0.2	-7.3
Total	100.0	3.8	3.8	100.0	21.2	21.2	-2.3	-15.5	0.5	-17.3

Figures refer to the past and that past performance is not a reliable indicator of future results. Data based on gross performance. If net performance was used, returns would be lower.

We support the growing consensus that the asset management sector can best contribute to meeting the goals of the Paris Agreement in three ways:



Pricing climate risk accurately:

adjusting portfolios, screening-out fossil-fuel investments and using tools to minimize exposure to transition risks



Engaging carbon-intensive companies:

identifying priority sectors/companies and engaging on detail of transition plans



Investing in climate solutions:

generally calculated as a share of AUM, linked to definitions of green/taxonomies, with avoided emissions as a key metric of impact



Of these, as a specialist investor, Impax focuses particularly on **investing in climate solutions.**

As a signatory of the **Net Zero Asset Managers Initiative**, we support the goal of net-zero emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C.

The initiative is well aligned with our existing investment philosophy and our 24+ years' experience as a specialist investor in climate solutions.

[Read about how we identify, assess and manage climate-related risks and opportunities in our 2022 TCFD Report.](#)



Our investments

- Impax has over 20 years' experience investing in companies delivering environmental solutions
- We invest in companies benefitting from the transition to net-zero emissions in line with the Paris Agreement and the shift to a more sustainable economy
- Our impact reporting includes Scope 1, 2, 3 emissions, as well as those avoided by the use of our portfolio companies' products and services.¹
- We engage with companies about exposure to climate risks arising from carbon emissions and physical climate impacts and encouraging them to build their climate resilience, following the TCFD framework
- As an NZAM signatory, our aim is for 100% of committed AUM to be “transition aligned” or “transition aligning” related to climate management and process by 2030. Committed AUM consists of all actively managed listed equities and private equity investments which represent 92% of AUM. At least 50% of committed AUM will be classified as aligned. Impax's approach is informed by the PAII Net Zero Investment Framework² and is influenced by the SBTi Portfolio Coverage Approach.³

Policy, advocacy & partnerships

- Impax collaborates with clients and stakeholders for further policy action to incentivize a low-carbon economy
- We are in regular dialogue with UK, US and EU legislators on climate policy
- We are members of climate-focused organizations and initiatives including:
 - CDP
 - Ceres
 - Climate Financial Risk Forum
 - Financial Sector Deforestation Action initiative
 - Energy Transitions Commission
 - GFANZ (Glasgow Financial Alliance for Net Zero)
 - IIGCC
 - Net Zero Asset Managers Initiative
 - Natural Capital Investment Alliance
 - UK Sustainable Investment and Finance Association
- We support charities and non-profits focused on climate action including Ashden, ClientEarth, Ceres, and WRI

Our operations

- We are committed to reducing our operational emissions; Scope 1, 2 & 3
- We substitute short-haul air travel and favor video conference meetings whenever practical
- We support and advocate for TCFD reporting recommendations and will continue to measure and report carbon emissions and avoidance in line with best practices

¹Impact @ Impax 2023 Report includes CO2 emission and avoidance reporting for c.90% of AUM as of 31 December 2021. ²IIGCC Paris Aligned Investment Initiative, Net Zero Investment Framework 1.5C Implementation Guide: https://www.parisalignedinvestment.org/media/2021/03/PAII-Net-Zero-Investment-Framework_Implementation-Guide.pdf ³Impax's NZAM submission:



Impax's proprietary 10-steps analysis



1

Snapshot and investment thesis

Role in the transition to a more sustainable economy

2

Market

Opportunity for growth

3

Competitive advantage

Technologies, brand, intellectual property, scale & distribution capabilities

4

Business model and strategy

Credibility of plans, consistency of returns

5

Risks

Industry dynamics, policy, macroeconomics and societal forces

6

ESG

Effective governance structures, management of material ESG risks

7

Management

Experience, effectiveness and succession

8

Valuation scenarios

Fair value assessment, best/worst cases

9

Trading

Liquidity, portfolio allocation

10

Catalysts

Route map to entry

Valuation framework

Position risk management

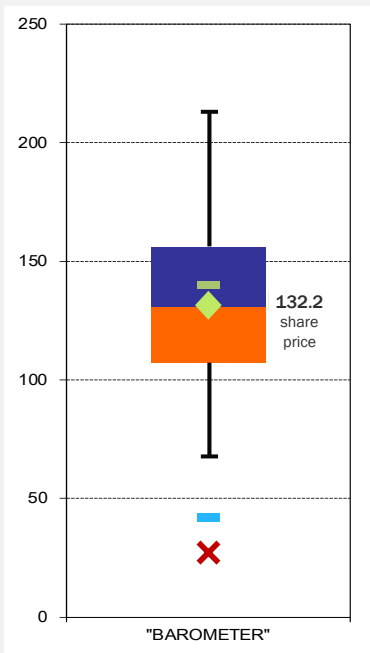
Each investment opportunity has a 'worst case/best case' range constructed around an assessed 'intrinsic value' so that valuation is expressed as a range of outcomes, rather than a single point.

This provides us with a framework for managing position size within our portfolios.



Illustration of the Valuation barometer

Valuation ranges are mapped into a box plot referred to as the Impax Valuation Barometer.



Impax's flexible tools to assess valuation:

- **Discounted Cashflow (DCF) valuation** is used for detailed and comprehensive valuations, or for capturing the unique value drivers and risks of a company.
- **Multiples**, both absolute and relative, can be used to deduce "through the cycle" earnings power
- **Sum-of-the-parts analysis** can be used for businesses with cash flows from discrete or disparate business lines

Scenario analysis is used in the construction of a 'worst case/best case' range by stressing factors including, but not limited to:

- revenue
- sustainable growth
- profit margin
- capital expenditure
- net working capital margin

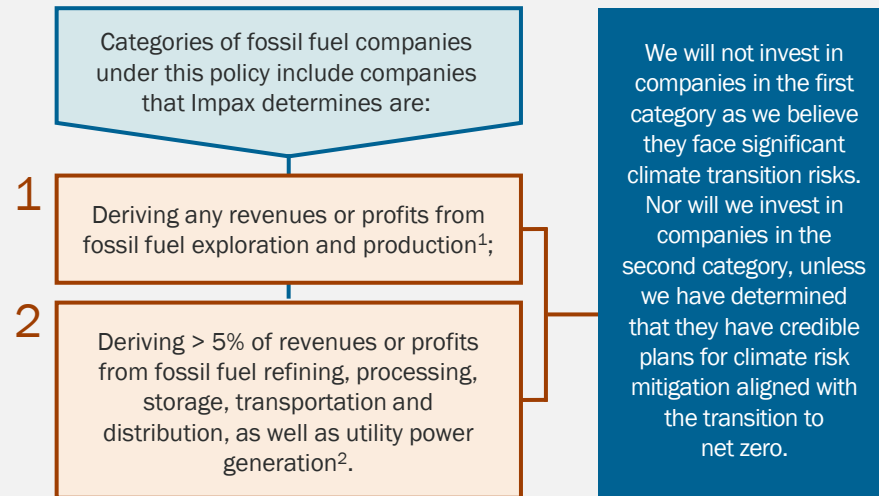
LEGEND KEY	
	95% fair value assessment
	Worst/Best case
	5Y High/Low price
	Book value per share
	Current share price



To mitigate or eliminate such risks, all of our strategies have adopted a fossil fuel policy as described below. All Impax strategies and funds are free from direct exposure to upstream exploration and production activities (such as coal mining, conventional oil and gas, or non-conventional sources such as shale gas).

Across our strategies, we aim to build more resilient portfolios by managing risks, including climate-related risks. Such risks include material risks to companies with fossil fuel-related assets and activities, in the form of government intervention to regulate greenhouse gases, changes in consumer preferences, technological developments and other liabilities, like stranded asset risks, in addition to reputational and litigation risks.

To mitigate or eliminate such risks, all of our strategies have adopted a fossil fuel policy as described below.



¹Whether coal mining, or conventional oil and gas, or non-conventional sources such as shale gas. ²The Fossil Fuel Policy does not apply to: a) Companies with indirect exposure to fossil fuels such as automotives, transport, industrials and financials; b) For example, emerging market utility, storage or distribution companies, as these companies are providing transitional air quality solutions, e.g., replacing coal in regions where coal represents a high proportion of the energy mix in the grid system.

Important information



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Impax Environmental Markets plc (the “Fund”) is incorporated in England and Wales under the Companies Act 1985 with registered number 4348393 and registered as an investment company. The Fund is classified as an Alternative Investment Fund under Directive 2011/61/EU as onshored into the domestic body of UK legislation (“UK AIFMD”), and in respect of which Impax acts as the Alternative Investment Fund Manager (the “AIFM”).

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subject to change without notice. Portfolio characteristics illustrate the application of Impax's investment style only and should not be considered a recommendation by Impax. The money invested in a fund can increase and decrease in value and there is no guarantee that you will get back the full amount invested.

Benchmark – Impax uses the MSCI ACWI and the FTSE ET indices as indicative benchmarks for its strategies. The MSCI ACWI captures all sources of equity returns in 23 developed and 26 emerging markets, and it assumes any net cash distributions, including dividends, are reinvested. The FTSE ET represents the performance globally of companies with a core business (at least 50%) in the development and operation of environmental technologies, and it assumes any gross cash distributions, including dividends, are reinvested. Both indices have investment orientations which are comparable to the sub-funds' strategies.

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Potential investors should consult with their professional advisers in relation to the tax treatment of their holdings. Please note that the dividends/interest which the Fund may receive may be subject to withholding taxes. The tax treatment depends on the individual circumstances of each investor. Impax does not provide legal or tax advice.

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