

Impax Environmental Markets plc

Annual General Meeting – 16th May 2023

For shareholders only



Board of Directors

- John Scott, Chairman of the Board, Management Engagement and Nomination Committees
- Aine Kelly, Senior Independent Director
- Stephanie Eastment, Chairman of the Audit Committee
- Vicky Hastings, Non-executive Director
- Glen Suarez, Non-executive Director

Investment Managers

- Bruce Jenkyn-Jones, Co-Portfolio Manager
- Jon Forster, Co-Portfolio Manager
- Fotis Chatzimichalakis, Co-Portfolio Manager

Resolutions

Ordinary Resolutions

1 to 9

Special Resolution

10 to 12

ORDINARY RESOLUTION	% Votes For ¹	% Votes Against	No. Votes Withheld
1) To receive the Annual Report	99.99	0.01	8,708
2) To approve the Directors' Remuneration Report	99.62	0.38	51,754
3) To approve the Distribution Policy	99.99	0.01	32,664
4) To re-elect Aine Kelly as a director	99.99	0.01	23,915
5) To re-elect Stephanie Eastment as a director	99.99	0.01	23,915
6) To elect Glen Suarez as a director	99.99	0.01	34,190
7) To re-appoint BDO LLP as auditor	99.97	0.03	22,988
8) To authorise the Audit Committee to fix the remuneration of the auditor	99.98	0.02	12,327
9) To give the Directors authority to allot new shares	99.98	0.02	18,140

¹including discretionary votes

SPECIAL RESOLUTION	% Votes For ¹	% Votes Against	No. Votes Withheld
10) Authority to allot equity securities and/or sell treasury shares free from pre-emption rights.	99.95	0.05	17,093
11) To give the Company authority to purchase its own shares.	95.28	4.72	15,254
12) To authorise the calling of general meetings (other than AGMs) on 14 clear days' notice.	99.73	0.27	38,818

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

¹including discretionary votes

Investment Manager's Presentation



**A specialist asset manager,
investing in the opportunities arising from the
transition to a more sustainable economy**

The managers



Bruce Jenkyn-Jones
Co-Portfolio Manager



Jon Forster
Co-Portfolio Manager



Fotis Chatzimichalakis
Co-Portfolio Manager

Largest environmental trust; experienced team

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

INVESTMENT APPROACH

Environmental market exposure ➤ 50% revenues (~1400 companies)

Predominant cap size Small and mid-cap

KEY CHARACTERISTICS

Largest environmental investment company £1.3bn (Strategy: £3.6bn)¹

Independent Board Five directors (all independent);
Chaired by John Scott

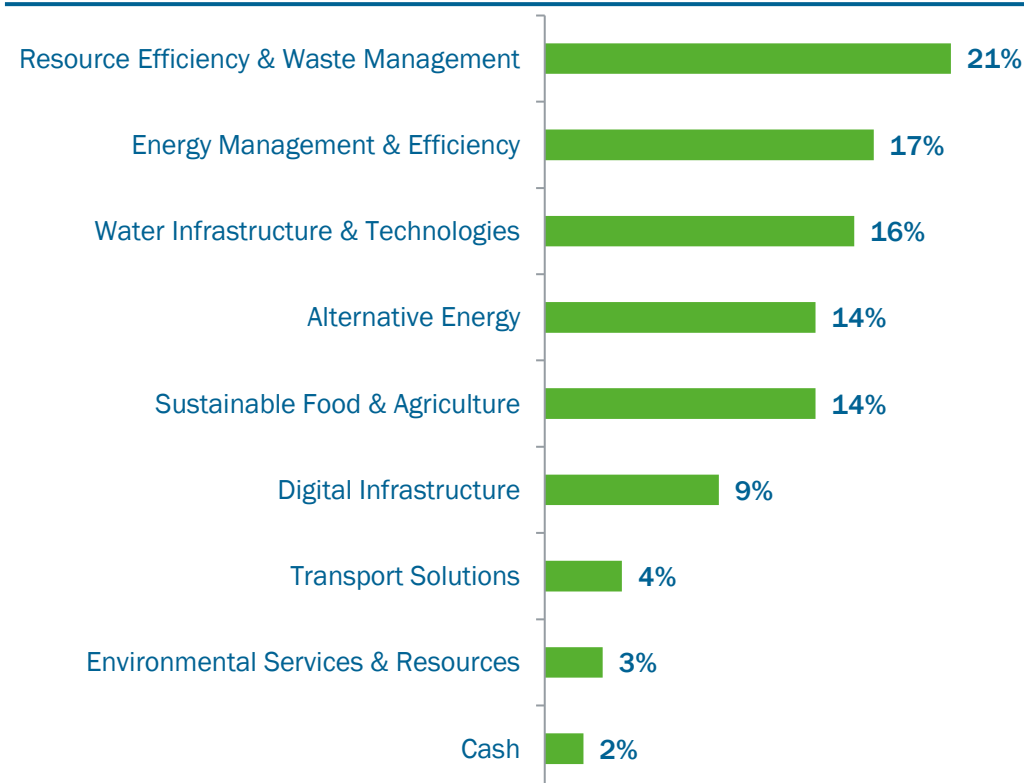
Independent Board From today:
Four directors (all independent);
Chaired by Glen Suarez

Experienced portfolio managers Bruce Jenkyn-Jones, Jon Forster,
Fotis Chatzimichalakis
Embedded within largest global specialist investment team

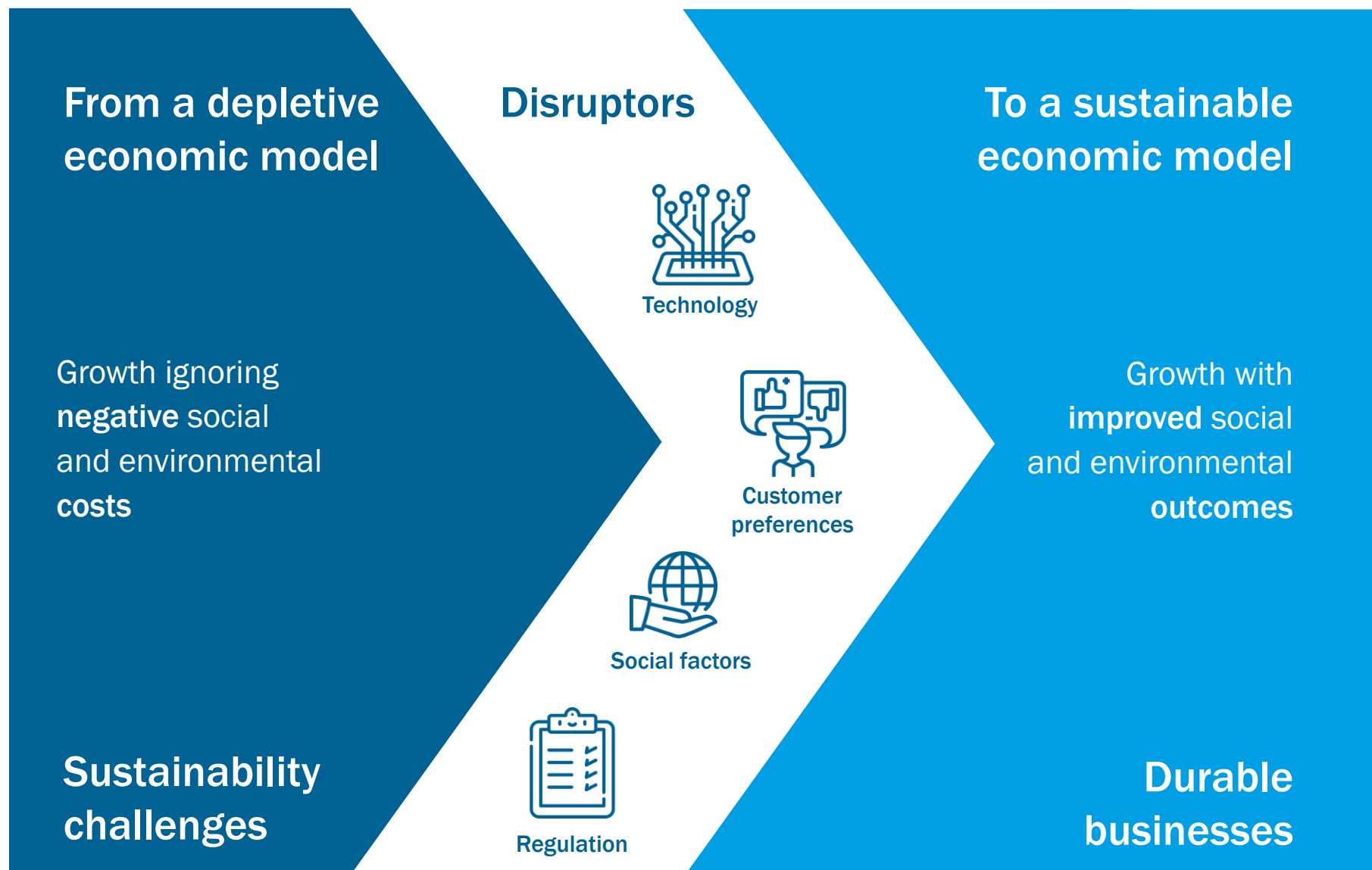
Discount control Proactive approach to share issuance &
buy backs

Net Gearing 2.17% of NAV

BROADLY DIVERSIFIED ACROSS ENVIRONMENTAL MARKETS



We believe the economy is in transition to a more sustainable model



Our classification of Environmental Markets

Energy

Alternative Energy

- Developers & independent power producers
- Biofuels
- Hydrogen
- Solar
- Wind

Energy Management & Efficiency

- Smart grids
- Industrial, consumer & buildings efficiency
- Power storage & uninterruptible power supply
- Lighting

Clean and efficient transport

Transport Solutions

- Advanced aviation
- Advanced shipping
- Railways
- E-bikes & bicycles
- Buses & coaches
- Road vehicles & devices
- Pollution reduction
- Shared mobility

Sustainable food

Sustainable Food & Agriculture

- Organic & alternative
- Technology & logistics
- Safety & packaging
- Agri- & Aquaculture
- Forestry

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

Smart environment

Environmental Services & Resources

- R&D & consultancies
- Finance & investment
- Testing & monitoring
- Pollution control
- Environmental resources

Digital Infrastructure

- Efficient IT
- Cloud computing
- Digital collaboration solutions

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.

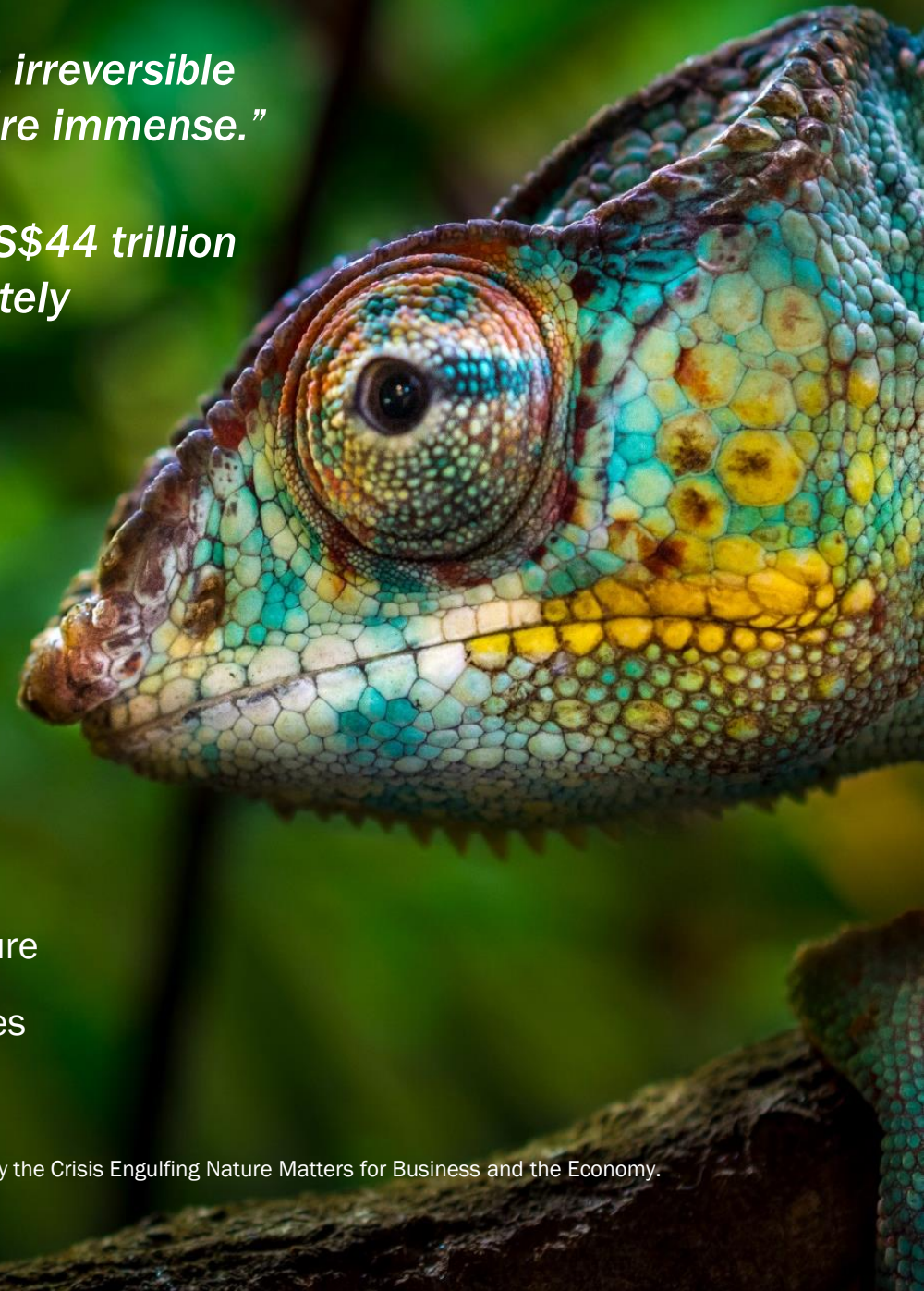
A spotlight on biodiversity

“Environmental degradation has brought us close to irreversible tipping points for nature, and the costs of inaction are immense.”

Julie Gorte, SVP, Sustainable Investing, Impax.

“More than half of the world’s economic output – US\$44 trillion of economic value generation – is highly or moderately dependent on nature”²

- Nature-based solutions could contribute up to one-third of emissions cuts needed by 2030¹
- Further attention from investors arising from Taskforce for Nature-related Financial Disclosures
- UN Convention on Biological Diversity COP15 meeting in December to agree Global Biodiversity Framework
 - Halt and reverse biodiversity loss by 2030
 - Align all financial flows with 2030 goal
 - Assess and disclose impacts & dependencies on nature
 - Reform and redirect environmentally harmful subsidies



¹UN Global Compact, 2021: Nature-Based Solutions | UN Global Compact. ²WEF: Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy.

Investable environmental solutions to prevent biodiversity loss

Direct drivers of biodiversity loss¹



Changing use of sea and land
(e.g. deforestation)

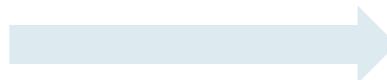


Environmental solutions

Food waste reduction, plant-based proteins, alternative feeds, circularity



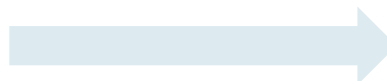
Direct exploitation of organisms
(e.g. over-fishing)



Sustainable aquaculture,
alternative proteins and feeds



Climate change



Renewables, energy and
resource efficiency



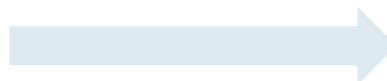
Pollution
(to air, soil, water,
incl. plastic waste)



Testing, water treatment, soil
remediation, sustainable
materials



Invasive non-native species
(from trade, travel)



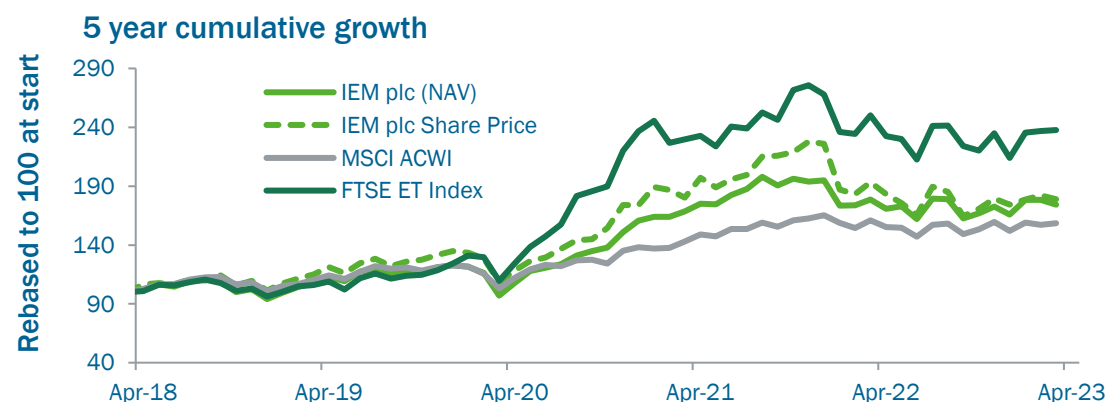
Ballast water treatment, testing

¹Source: IPBES.

Strong long-term performance whilst managing volatility (April 2023)

AVERAGE ANNUAL RETURNS (%)

	1Y	3Y	5Y	10Y	15Y
IEM plc (NAV) ¹	-0.1	16.6	10.8	12.5	9.5
IEM plc Share Price	-6.4	13.2	10.0	13.7	8.9
FTSE ET Index ²	-4.4	21.4	17.0	15.2	7.0
MSCI ACWI	1.9	12.2	9.0	10.2	9.0



CALENDAR YEAR PERFORMANCE (%)

	2023 YTD	2022	2021	2020	2019
IEM plc (NAV) ¹	2.8	-15.0	21.3	31.0	30.6
IEM plc Share Price	-1.6	-22.8	30.1	28.9	32.9
FTSE ET Index ²	3.9	-20.1	13.1	90.3	29.2
MSCI ACWI	4.2	-8.1	19.6	12.7	21.7

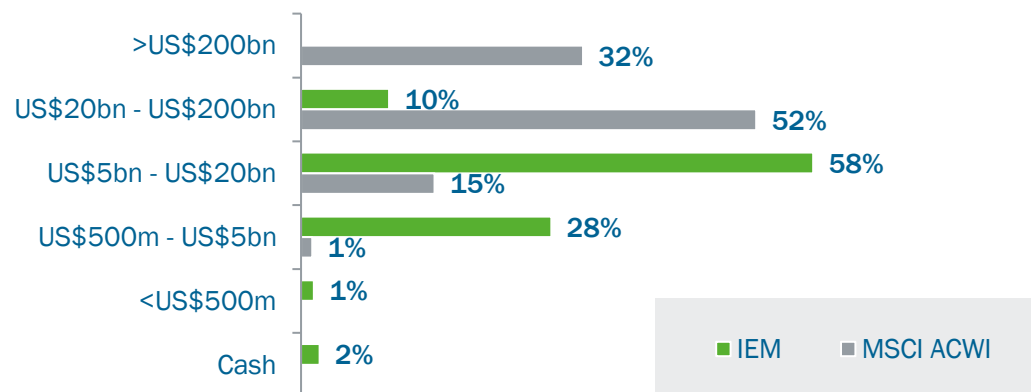
DISCRETE 12 MONTH PERFORMANCE (%)

	APR-22 TO APR-23	APR-21 TO APR-22	APR-20 TO APR-21	APR-19 TO APR-20	APR-18 TO APR-19
IEM plc (NAV) ¹	-0.1	-2.6	62.7	-4.7	10.5
IEM plc Share Price	-6.4	-7.1	66.7	-2.5	13.9
FTSE ET Index ²	-4.4	-0.2	87.6	13.9	7.9
MSCI ACWI	1.9	4.3	32.8	-1.8	11.0

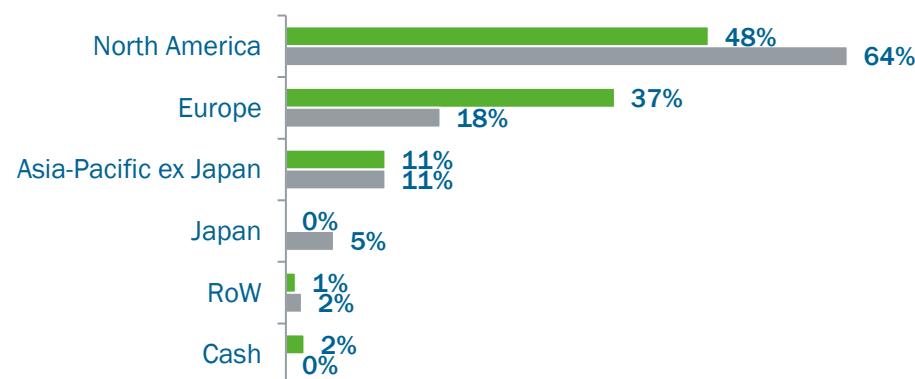
Past performance is not indicative of future results, which may vary materially. A loss of principal may occur. There can be no assurance that Impax will achieve performance results in the future comparable to the performance presented herein. All data in GBP as at 30 April 2023. MSCI index is total net return (net dividend reinvested), FTSE index is total return (gross dividend reinvested). Source: FactSet/WM Reuters.¹Bloomberg. ²FTSE ET100 data shown from January 2014, previous data represents FTSE ET50. The FTSE ET50 index launched in January 2008. This information is presented as supplemental to the GIPS report which can be found at the back of this presentation.

Diversified portfolio key to success of IEM plc

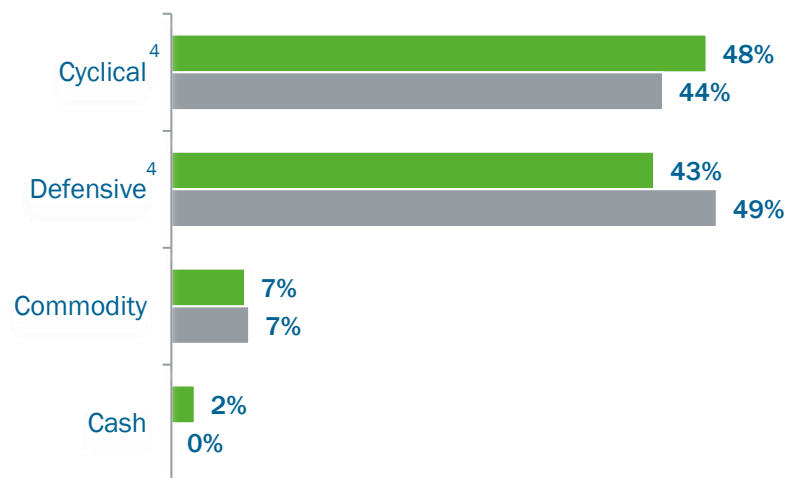
MARKET CAP¹ (WTD AV²: US\$9BN VS MSCI ACWI: US\$350BN)



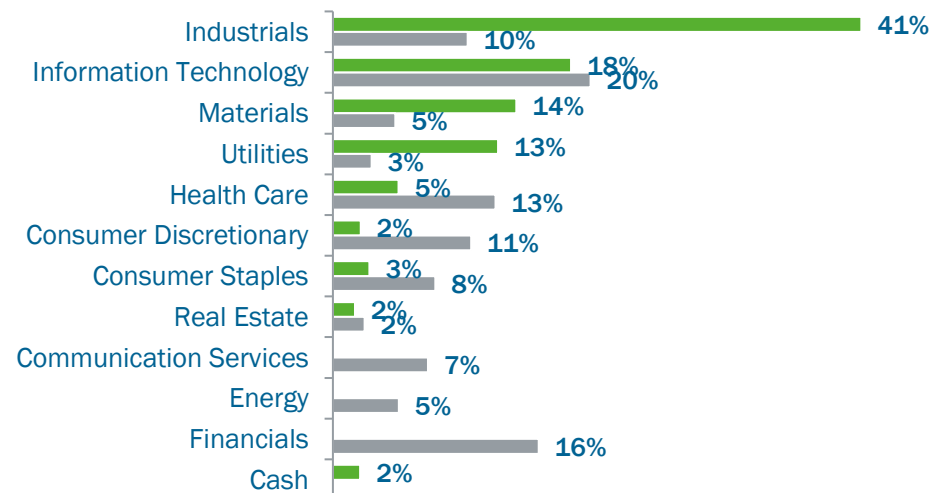
GEOGRAPHIC BREAKDOWN³



CYCLICAL AND DEFENSIVE END MARKET EXPOSURE



GICS SECTOR ALLOCATION



Source: Bloomberg. Data as at 30 April 2023. ¹Re-weighted to exclude private holdings. Historically we have presented market cap breakdown data in terms of the standard definition as follows: Large above US\$10bn; Mid US\$2bn – US\$10bn; Small below US\$2bn. This new breakdown, as specified above, is broader and deemed more consistent with the market price appreciation we have observed over the last ten years. The new bands have been derived by leveraging the recently published MSCI minimum market sizes for each band (Micro, Small, Mid, and Large Cap) covering both Developed & Emerging Markets. ²WTD AV: weighted average. ³Geographic allocation by country of listing, MSCI classification if available. ⁴Stability of demand during economic upturns and downturns. Data may not add up to 100% due to rounding. This information is presented as supplemental to the Annual Disclosure Presentation (updated quarterly) which can be found at the back of this presentation.

Top 10 by % weight¹: high quality innovative companies

STOCK	SUB-SECTOR	COUNTRY ²	%
CRODA INTERNATIONAL PLC	Recycled, Recyclable Products & Biomaterials	United Kingdom	2.8
DSM-FIRMENICH AG	Sustainable Agriculture	Switzerland	2.6
CLEAN HARBORS INC	Hazardous Waste Management	United States	2.6
NORTHLAND POWER INC	Renewable Energy Developers & IPPs	Canada	2.5
GRAPHIC PACKAGING HOLDING CO	Food Safety & Packaging	United States	2.5
SPIRAX-SARCO ENGINEERING PLC	Industrial Energy Efficiency	United Kingdom	2.5
PTC INC	Efficient IT	United States	2.5
AALBERTS NV	Water Distribution & Infrastructure	Netherlands	2.4
EUROFINS SCIENTIFIC	Environmental Testing & Monitoring	France	2.4
BRAMBLES LTD	Resource Circularity & Efficiency	Australia	2.2
TOTAL			24.9

Source: Bloomberg. Data as at 30 April 2023. Total is subject to rounding. ¹Holding are subject to change at any time without notice. ²Geographic allocation by country of listing, MSCI classification is available.

Year to Date Activity

Bought

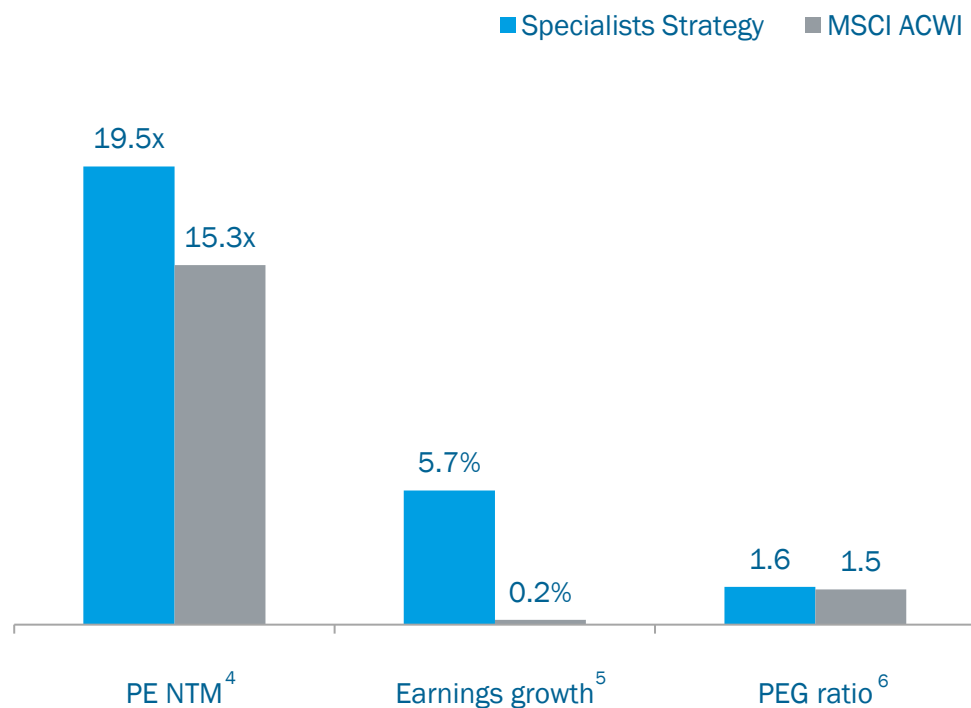
- **Dabur India Ltd** (Recycled, Recyclable Products & Biomaterials, India)
- **Kingspan Group Plc** (Buildings Energy Efficiency, Ireland)
- **Shenzhen Inovance Technology** (Industrial Energy Efficiency, China)

Sold

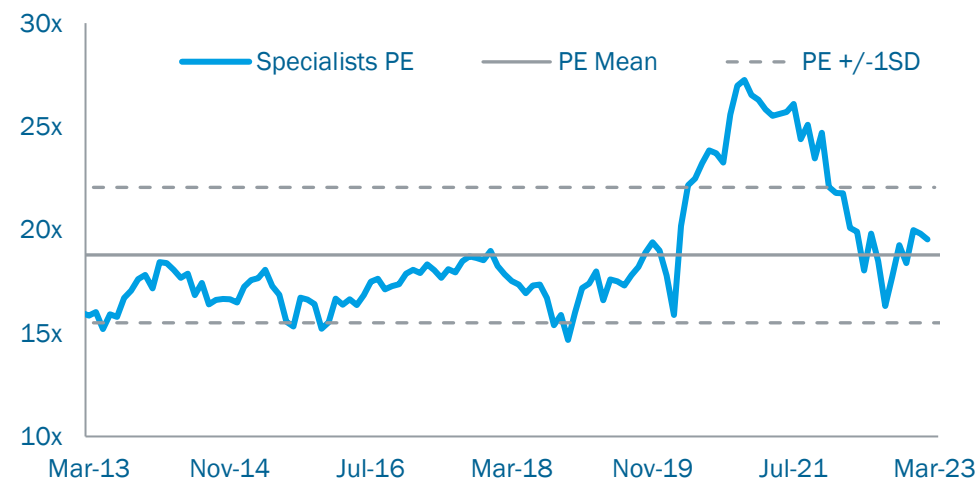
- **Airtac International Group** (Industrial Energy Efficiency, Taiwan)

Specialists strategy - relative valuation

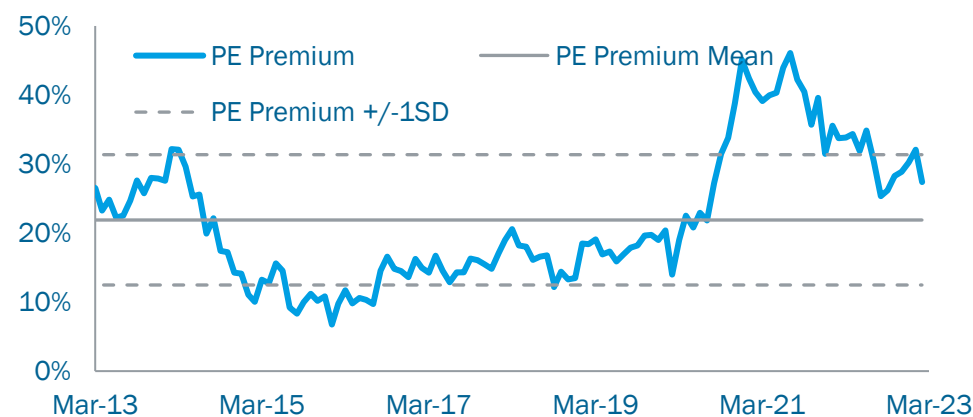
FUNDAMENTALS (NTM)^{1, 2}



HISTORICAL PE³



PE PREMIUM⁷



¹These are forward looking numbers and there is no guarantee that this valuation will be achieved. ²NTM: next twelve months. ³PE: price to earnings.

⁴PE NTM: forward price to earnings. ⁵Earnings growth NTM/LTM. ⁶PEG ratio: PE NTM to LTG (long term growth) estimate. ⁷PE premium: price to earnings premium.

Source: Bloomberg. Premium calculated using PE NTM vs MSCI ACWI as at 31 March 2023. This information is presented as supplemental to the GIPS report which can be found at the back of this presentation.

IEM plc outlook

- **Strong long-term investment thesis:** recent legislation such as the US Inflation Reduction Act, as well as the ongoing crisis in Russia/Ukraine & prevailing energy security concerns, are creating substantial incremental opportunities across Environmental Markets
- **Uncertain macroeconomic & geopolitical environment:** risk of recession as higher energy prices & interest rates negatively impact consumption; cyclical sectors are increasingly pricing in a material economic downturn
- **Diversification:** building a balanced portfolio of stocks; focusing on de-rated defensive growth names, while monitoring cyclical companies with strong balance sheets & attractive valuations
- **Material de-rating of portfolio valuation:** driven by rotation from ‘growth’ to ‘value’, leaving portfolio multiples at long-term average levels, with good upside to intrinsic target price & resiliently strong investment thesis
- **New opportunities:** strong pipeline of new ideas with proven business models & pricing power, underpinned by structural drivers of Environmental Markets

Questions for the Board and Manager

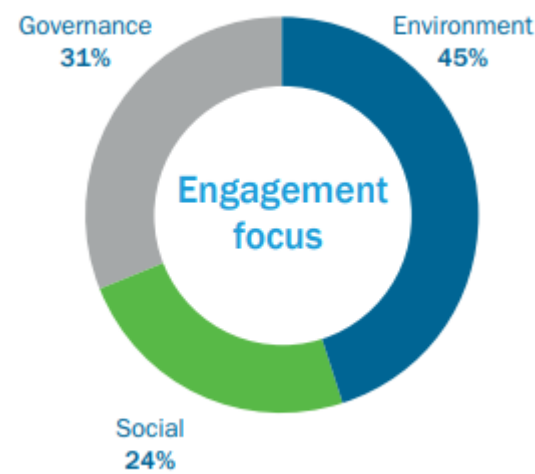


Appendix

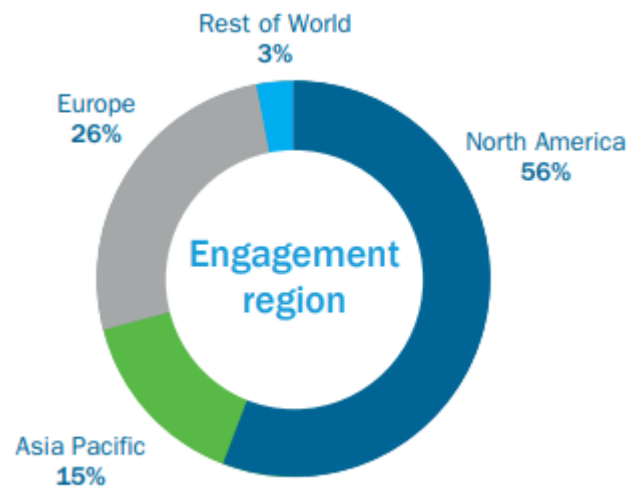


2022 Engagement and proxy voting activity

ENGAGEMENT FOCUS



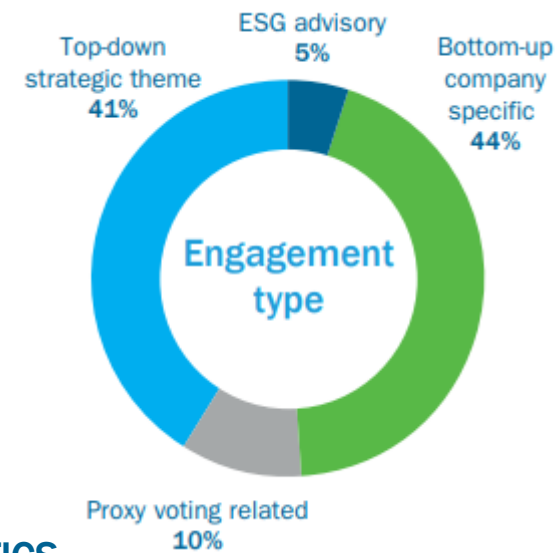
ENGAGEMENT REGION



Engagement results are firmwide, including all Impax Asset Management entities.

¹(I.e. against and/or abstained and/or withheld).

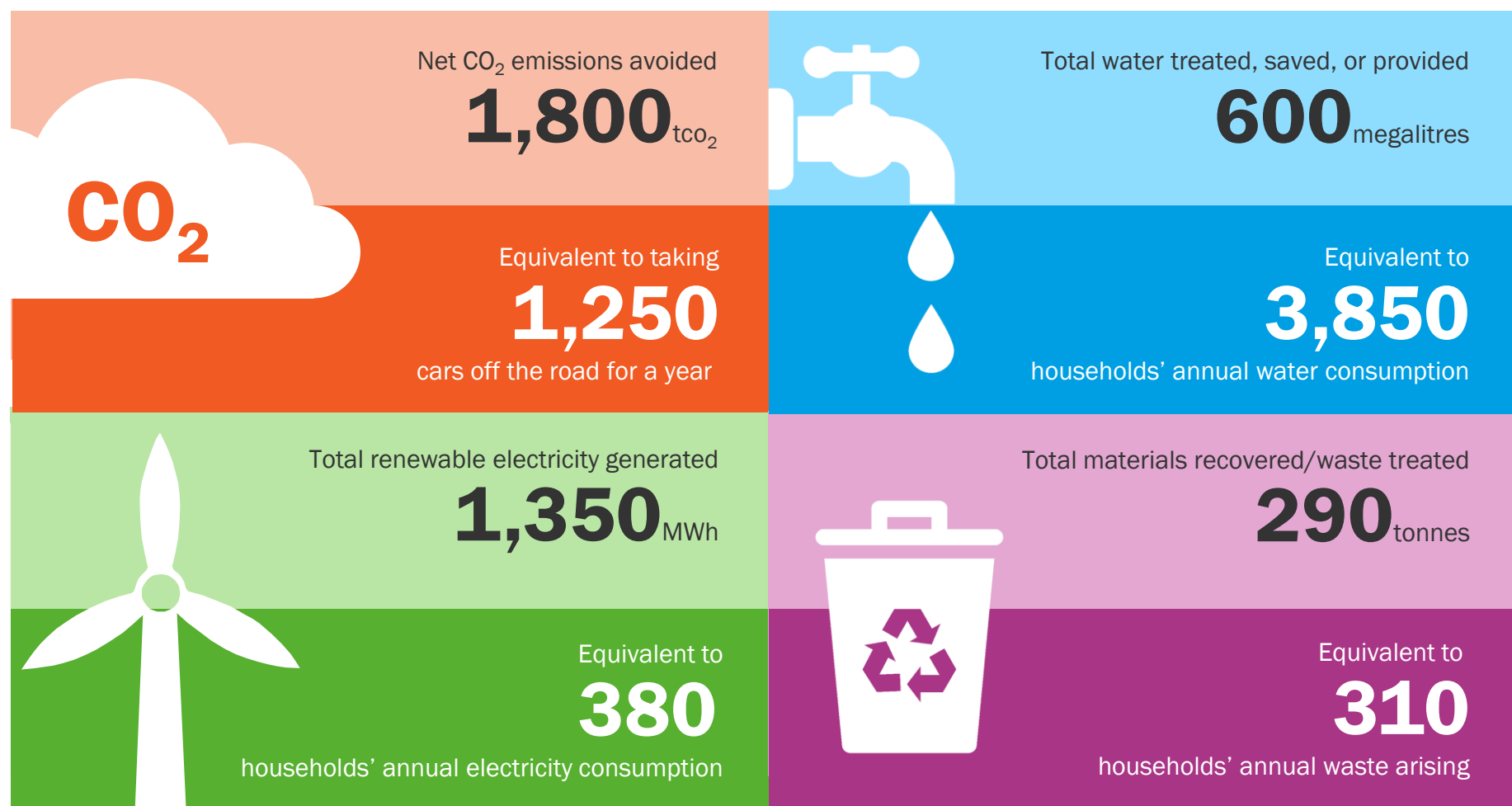
STRATEGIC ENGAGEMENT TOPIC



PROXY VOTING STATISTICS

Total number of meetings where it was possible to vote	68
Number of meetings in which IAM voted	68
Number of meetings in which IAM voted (as a percentage)	100%
Number of management resolutions in which IAM voted	731
Number of management resolutions in which IAM voted against management ¹	80
Number of shareholder resolutions in which IAM voted	5
Number of shareholder resolutions in which IAM voted against management ¹	0

IEM plc - environmental impact of £10m investment

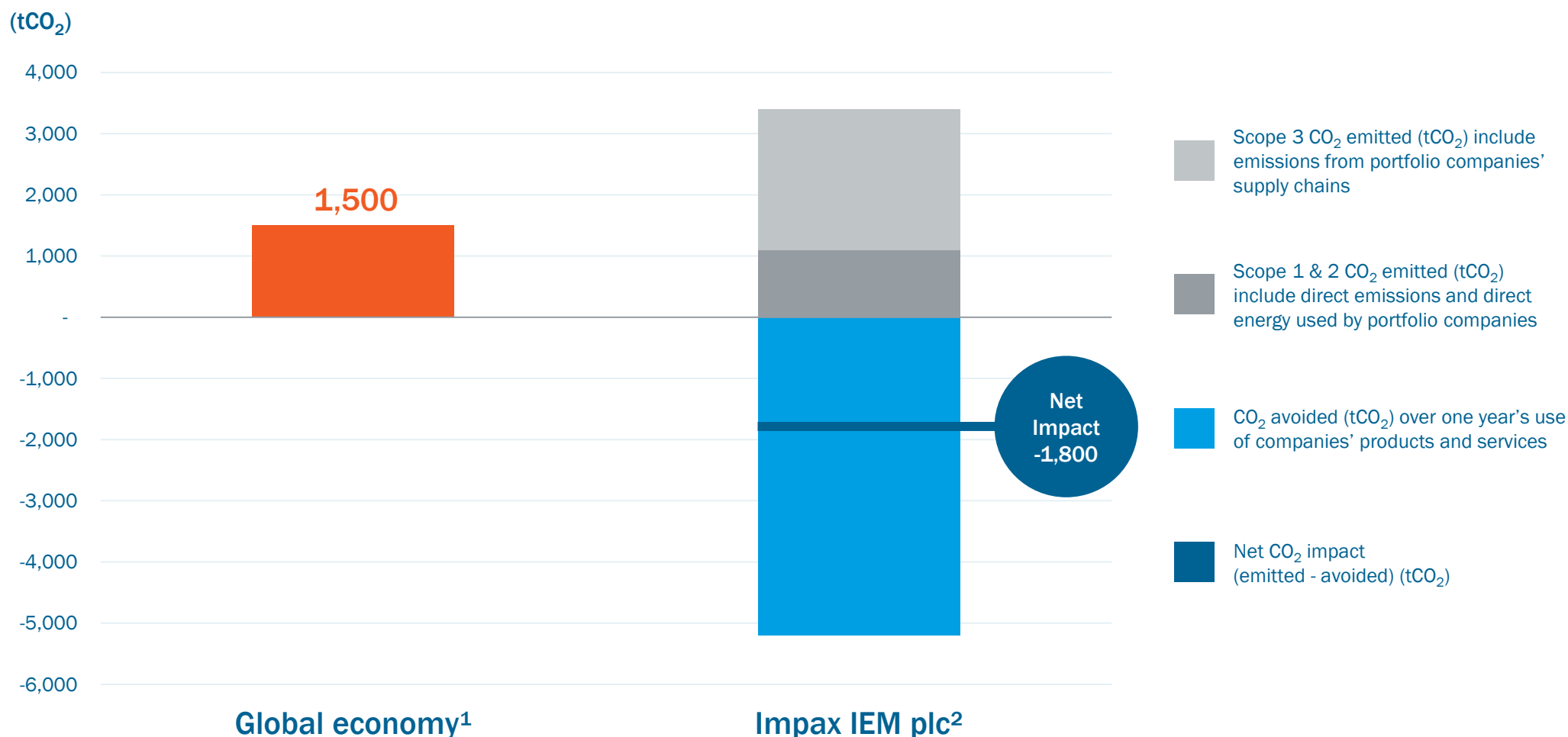


Source: Impax Asset Management.

These figures refer to the past. Past performance is not a reliable indicator of future results. Impact of £10m invested in the strategy for one year. Based on most recently reported annual environmental data for holdings in IEM plc as at 31 December 2021. Impax's impact methodology is based on equity value.

Net Carbon Impact – IEM plc

Net CO₂ impact per £10m invested for one year (tCO₂)



Past performance is not indicative of future results, which may vary materially. A loss of principal may occur. There can be no assurance that Impax will achieve performance results in the future comparable to the performance presented herein. ¹Source: Most recently available global GHG emissions (<https://ourworldindata.org/co2-and-other-greenhouse-gas-emissions>, https://edgar.jrc.ec.europa.eu/report_2022), adjusted to 2022 using the IEA CO₂ emissions growth rate 2018-2021 (<https://www.iea.org/reports/global-energy-review-co2-emissions-in-2021-2>). Global AUM as at 2021 as provided by FSB (<https://www.fsb.org/2021/12/global-monitoring-report-on-non-bank-financial-intermediation-2021>). ²Impax Asset Management, 31 December 2021. Impax's impact methodology is based on equity value.

Specialists: GIPS report – USD

Year	Total Firm Assets (Millions)	Composite Assets (Millions)	Number of Portfolios ¹	Annual Gross Return	Annual Net Return	MSCI AC World Return	FTSE ET Return	Asset Weighted StdDev*	3yr Annualized Std Dev**	MSCI AC World 3yr Annualized Std Dev**	FTSE ET 3yr Annualized Std Dev**
2022	43,356.21	3,691.42	8	-23.23	-24.06	-18.36	-29.06	0.49	24.22	19.86	30.69
2021	53,891.25	5,157.98	8	20.47	19.16	18.54	12.10	0.77	20.07	16.84	25.92
2020	33,017.69	3,809.91	8	33.04	31.59	16.25	96.40	1.31	21.56	18.13	26.42
2019	20,193.72	2,109.76	8	35.91	34.43	26.60	34.41	1.39	13.35	11.22	14.63
2018	13,426.66	1,322.03	8	-14.69	-15.62	-9.41	-15.17	1.11	12.79	10.48	13.11
2017	9,977.17	2,115.70	9	26.85	25.47	23.97	31.56	0.96	11.61	10.36	13.22
2016	5,456.11	1,398.70	9	14.68	13.43	7.86	2.19	0.92	13.32	11.06	15.04
2015	3,879.17	1,098.62	7	0.50	-0.60	-2.36	-0.77	0.49	12.34	10.79	14.25
2014	3,522.26	1,101.22	6	-3.74	-4.75	4.16	-1.96	0.20	13.11	10.50	13.67
2013	3,231.36	1,201.97	6	36.09	34.77	22.80	44.58	1.61	16.20	13.94	18.48
2012	2,349.66	1,015.88	6	13.41	12.29	16.13	5.82	0.83	19.55	17.13	22.67
2011	2,224.45	1,071.13	6	-18.17	-18.99	-7.35	-27.92	0.60	23.91	20.59	27.65
2010	2,913.42	1,571.81	6	9.38	8.19	12.67	-5.20	--	30.07	24.49	36.33
2009	2,162.13	1,351.74	5	45.54	43.99	34.63	29.34	--	28.13	22.34	35.13
2008	1,199.84	918.74	4	-42.42	-43.03	-42.19	-54.54	--	25.72	17.97	33.89
2007	1,854.19	1,564.87	3	19.53	18.36	11.66	72.27	--	15.70	8.65	18.64
2006	760.61	612.82	3	39.97	38.62	20.95	36.47	--	15.92	8.12	18.02
2005	272.91	230.62	2	10.05	8.91	10.84	11.32	--	16.67	9.89	15.55
2004	116.71	73.29	1	26.53	25.30	15.23	13.79	--	--	--	--
2003	66.21	59.11	1	37.22	35.89	33.99	32.93	--	--	--	--
2002	48.90	43.86	1	-35.86	-36.42	-16.39	-35.22	--	--	--	--

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Results shown for the year 2002 represent partial period performance from March 1, 2002 through December 31, 2002.

*The asset weighted standard deviation is not shown when there were less than six accounts in the composite for the entire year.

** The 3 years ex-post standard deviation is not shown for the composite and benchmarks if 36 rolling monthly returns are not available.

¹ The number of accounts in the Specialists Composite decreased from 9 to 8 in January 2018 following the exclusion of a fund from the composite due to a change to its trading model.

Both the internal and external risk figures are calculated using monthly gross-of-fee returns.

Composite Description

The Specialists Composite contains long only accounts, which invest globally in companies that are developing innovative solutions to resource challenges in environmental markets. These markets address a number of long term macro-economic themes: growing populations, rising living standards, increasing urbanisation, rising consumption, and depletion of limited natural resources. Investments are made in "pure-play" small and mid-cap companies which have >50% of their underlying revenue generated by sales

of products or services in environmental markets. The Specialists Composite was created March 31, 2015. The inception date of the composite's performance was March 1, 2002.

Claiming GIPS Compliance

Impax Asset Management claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Impax Asset Management has been independently verified for the periods March 1, 2002 through to December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Specialists Composite has had a performance examination for the periods January 1, 2019 through to December 31, 2022. The verification and performance examination reports are available upon request.

Firm Information

Impax Asset Management is defined as Impax Asset Management Ltd, Impax Asset Management (AIFM) Ltd., Impax Asset Management Ireland Ltd, Impax Asset Management LLC, and Impax Asset Management (Hong Kong) Limited (together, "Impax"). These entities are subsidiaries of Impax Asset Management Group plc ('IAM') which is a publicly traded investment management company registered in the United Kingdom, and is headquartered in London, UK. For GIPS purposes the firm includes discretionary and non-discretionary accounts but excludes accounts which have a mandate to invest entirely in private equity or property. Prior to January 2018, Impax Asset Management only included Impax Asset Management Limited and Impax Asset Management (AIFM). The firm was redefined to also include Impax Asset Management LLC to reflect the acquisition of Pax World Management LLC. The firm's List of Composite, Limited Distribution Pooled Fund, and Broad Distribution Pooled Fund descriptions is available upon request.

Specialists: GIPS report continued – USD

Custom Benchmark Description

The MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. It covers 23 developed and 23 emerging market country indexes. The Custom FTSE ET index is a combination of FTSE ET100 and FTSE ET50 indices; these two indices are part of the FTSE Environmental Technologies Index Series which comprise the 50 and 100 largest pure play environmental technology companies globally, by full market capitalisation. The indices are designed to measure the performance of companies that have a core business in the development and operation of environmental technologies. FTSE ET100 data launched on January 2014, previous data represents FTSE ET50. FTSE ET50 launched January 2008, data has been back tested by FTSE. Custom FTSE ET Index has been added starting from March 2015 to match the official marketing material and because it better reflects the composite strategy. All indices are displayed in USD. Components that constitute Custom FTSE ET Index are available for prior periods upon request.

Calculation Methodology

Returns are calculated using the asset-weighted method and individual portfolios are revalued daily or monthly, depending on their structure. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Withholding taxes may vary according to the investor's domicile. Net of fees returns are calculated by reducing monthly gross returns by the maximum applicable fee according to the stated fee schedule below. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. MSCI All Country World is presented net of foreign withholding taxes on dividends, interest income and capital gains while Custom FTSE ET Index performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains given the unavailability of net of withholding taxes returns by FTSE.

Fees and Expenses

Impax Asset Management uses a model fee, which is the maximum applicable fee, for the computation of composite net-of-fee returns. Since June 2014, the highest annual management fee for the composite is 1.10%. Previously, the highest was 1.00% from January 2012 to May 2014, 0.9863% from January 2011 to December 2011, 1.10% from January 2009 to December 2010, 1.00% from January 2006 to December 2008, 1.05% from January 2005 to December 2005, and prior to that the highest was 1.00%. Actual investment advisory fees incurred by portfolios may vary. From January 2002 to October 2018 the gross returns for the separate accounts were calculated using the fee applicable to Impax Asset Management, whilst since November 2018 the fee used to gross up the returns is the actual total expense. From January 2002 to October 2018 the highest fee used to calculate the net of fee performance returns was only applicable to Impax Asset Management, whilst since November 2018 the highest fee used for the computation is the total management fee which is expected to be paid by the relevant account.

Other Disclosures

It is not part of the IAM investment philosophy to invest in leverage or derivatives. However, the IEM account can borrow up to 20% of its assets for investment purposes.

Trading may occur in local currency, but it is converted to base currency based on Bloomberg exchange rates as of 6pm Greenwich Mean Time each day, therefore performance is affected by currency translation. Since October 2010 base currency is converted using WM Reuters exchange rates as of 4pm Greenwich Mean Time.

The USD is the currency used to express performance, results are affected by currency translation. Returns are presented gross and net of management fees and include the reinvestment of all income. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

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Net carbon methodology disclaimer: Impax Specialists Strategy

Source: Impax Asset Management Ltd. Impact of \$10m invested in the Strategy for one year. Based on most recently reported annual environmental data for holdings in the strategy as of December 31, 2021. Impax's impact methodology is based on equity value whereby the impact contribution of each of our investments is calculated by dividing the number of shares owned by the total shares outstanding.

The relevant environmental metrics for all portfolio companies and issuers were measured where data was available or could be estimated. The analysis included all companies and issuers in which the strategies were invested as at 31 December 2021. At the time of preparation, we aimed to obtain most recently available and commonly collected environmental data from our investee companies and issuers. For approximately 80% of companies this was from 2021 reported information and for the remainder of companies this was from previously reported information. The percentage owned in each underlying company (calculated based on the proportion of shares owned) as at 31 December 2021 was applied to measure the environmental benefit attributable to the strategies. For fixed income issuers, the percentage owned in each underlying issuer was calculated based on the value of the bonds owned as a percentage of enterprise value or, in the case of labelled bonds, the amount issued of that specific bond issue. For certain government-related issuers, total assets was used in place of enterprise value. Impax started by identifying the metrics against which we would measure the impact of the listed companies and issuers.

These included:

- Greenhouse gas (GHG) emissions, Scope 1, 2 and 3 (tonnes of CO2 equivalent)
- Greenhouse gas (GHG) avoidance (tonnes of CO2 equivalent)
- Net impact from GHG emitted less GHG avoided (tonnes of CO2 equivalent)
- Renewable electricity generated (MWh)
- Water treated, saved or provided (megalitres)
- Materials recovered/waste treated (tonnes)

The relevance of each metric was also assessed for each company based on their business activities:

- Impax created a heat map which provided a qualitative indication for the positive impact of each company.
- Impax collected relevant data from company and issuer disclosures, including sources such as annual reports, CDP and sustainability reports. Where information was not available, Impax contacted companies to request additional disclosure, which in some cases produced additional relevant data.

However, some companies and issuers could not/did not provide information on several metrics. Impax therefore created estimates, where robust data was obtained for these metrics:

- For missing Scope 1 and 2 GHG emissions data, Impax utilised an external machine-learning-based methodology that estimated emissions based on a precise peer grouping of companies.
- For missing environmental impact data, industry or academic data was sought, in order to set robust assumptions, including baselines relating to environmental performance and impact. In cases where robust data could not be found, zero impact was reported for a company or issuer.

Impax strives to be conservative with estimates in an effort to ensure that the positive impact is not overstated, or in the case of carbon dioxide emissions, the net emissions avoided is not overstated. The table below summarises the proportion of data that was available and estimated. The environmental impact of our investments will always depend on the mix of underlying holdings and are thus subject to change. As of 31 December 2021, the number of companies in the portfolio was 62. The information contained in this document is therefore specific to the date listed herein.

Metric Estimated/Disclosed	Companies for which the metric is relevant	Companies for which the metric was available	Companies for which the metric was estimated	Metric was not available and could not be estimated
CO2 Emitted:	61	53	8	0
CO2 Avoided:	56	33	12	11
Renewable Energy Generated:	15	11	0	4
Water Provided / Saved / Treated:	22	18	0	4
Water Withdrawal:	61	41	0	20
Materials Recovered / Waste Treated	14	8	0	6

Impax Environmental Markets plc: Key risk considerations

IMPORTANT INFORMATION

Marketing communication

This is a marketing communication. This is not a contractually binding document, and its issuance is not mandated under any law or regulation of the European Union. This marketing communication does not include sufficient detail to enable the recipient to make an informed decision.

GENERAL PORTFOLIO RISKS

- **Capital risk** - the value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the portfolio and the currency in which you subscribed, if different.
- **ESG and sustainability risk** –Sustainability risks may result in a material negative on the value of an investment and performance of the portfolio. Sustainability risks are environmental, social and governance events or conditions whose occurrence could have an actual or potential material negative impact on the value of the portfolio and all known types of risk of the portfolio.
- Governmental liberalisation of basic services and increased environmental legislation may not occur at the anticipated rate. The **costs of technology in environmental markets** may not continue to fall or may not maintain price competitiveness.
- **Equities** - may decline in value due to both real and perceived general market, economic and industry conditions. Investing in foreign-denomination and/or – domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets.
- The portfolio will include a number of relatively **newly established companies** and companies whose future is dependent on widespread adoption of their products and services.
- Many of the portfolio's investments will be denominated in **currencies** other than the currency of the Share class purchased by the investor and, therefore, the Net Asset Value of the portfolio may be affected by currency movements.
- The **valuations** of companies in environmental markets may remain at current level or may fall.
- **Emerging markets** or less developed countries may face more political, economic or structural challenges than developed countries, putting your money at greater risk.
- **Diversification** does not ensure against loss.

Important information

This document has been issued by Impax Asset Management (AIFM) Limited ("Impax"; FRN: 613534) which is authorised and regulated by the Financial Conduct Authority. Please refer to the Prospectus of the Fund and to the Key Information Document ("KID") before making any final investment decision.

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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Performance - This document contains information on the past performance of the Fund. These figures refer to the past and past performance is not a reliable indication of future performance. This also applies to historical market data. The performance data does not take into account the commissions and costs incurred on the issue and redemption of units. The annual investment management charge and other charges are generally deducted from income, although a portion may be deducted from capital of the trust. Where charges are deducted from capital, the potential for capital growth will be reduced. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. Investments in funds are subject to risk. It is important to choose a fund that does not exceed the risk level you are prepared to accept. Portfolio characteristics, including specific holdings, country, sector and industry exposure, are as of the date indicated and are 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.

In the United Kingdom, this material is a financial promotion and has been approved by Impax Asset Management (AIFM) Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority.