



# Impax Asset Management Group plc

## Annual General Meeting: 2 March 2018

# Financial year 2017 milestones

AUM increased  
61% to new peak  
of £7.3bn<sup>1</sup>

Record net  
inflows of £2.1bn  
and strong  
mandate pipeline

All major listed  
equity strategies  
outperformed  
MSCI ACWI  
over 1, 3 and 5  
years

Strong strategic  
rationale for  
acquisition of Pax<sup>2</sup>

<sup>1</sup>As at 30 September 2017. Assets under advice represent ~5% of total AUM. <sup>2</sup>On 18 January 2018 Impax Asset Management Group plc acquired Pax World Management LLC ("Pax").

# Financial highlights

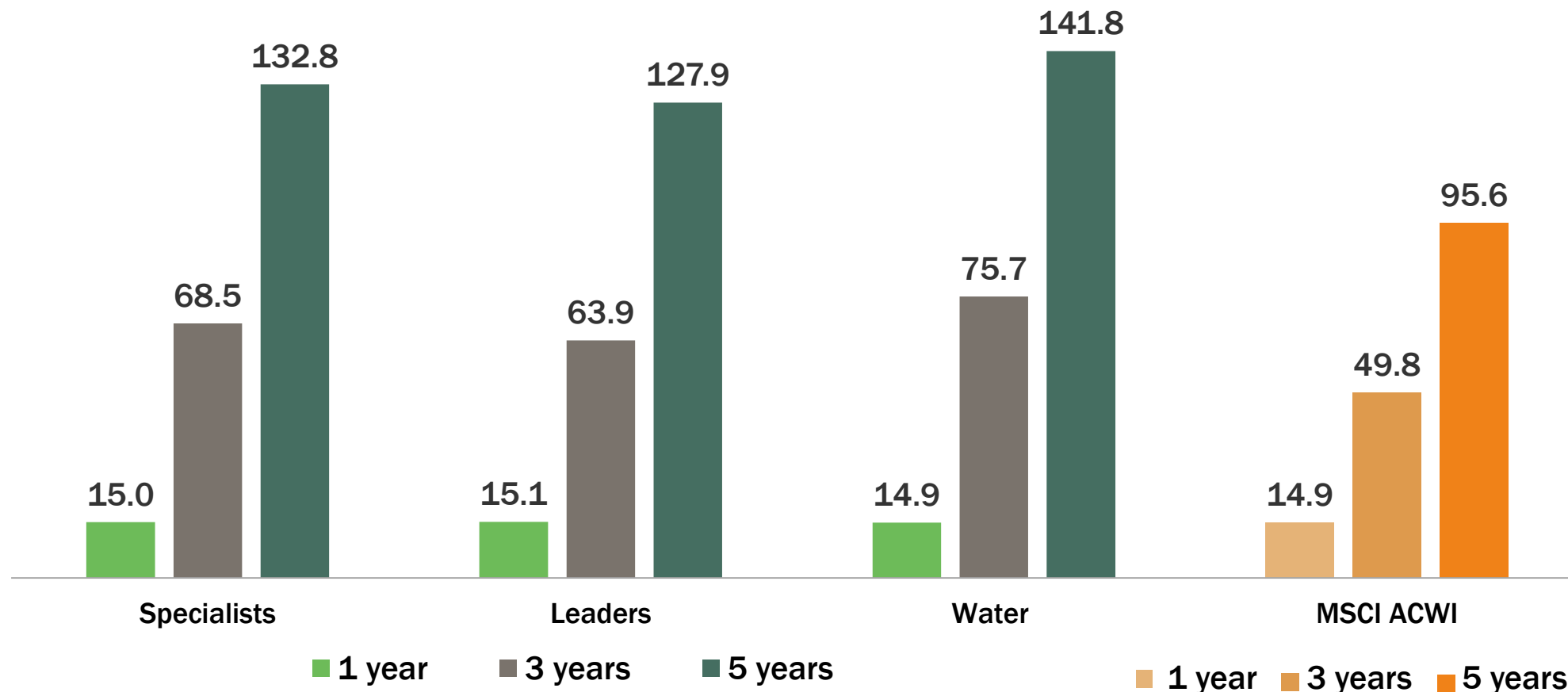
	2017	2016	% increase
Assets under management <sup>1</sup>	£7.3bn	£4.5bn	62%
Revenue	£32.7m	£21.1m	55%
Operating earnings <sup>2</sup>	£7.9m	£4.2m	88%
Profit/(loss) before tax	£5.9m	£5.2m	13%
Diluted earnings per share	6.2p	3.6p	72%
Shareholders' equity	£35.6m	£26.7m	33%
Interim dividend per share	0.7p	0.5p	40%
Full year dividend per share	2.9p <sup>3</sup>	2.1p	38%

<sup>1</sup>Assets under management and advice. <sup>2</sup>Revenue less operating costs. <sup>3</sup>Interim dividend of 0.7p + proposed final dividend of 2.2p per share.

## 2017: Business highlights

# Listed Equities: strong performance record

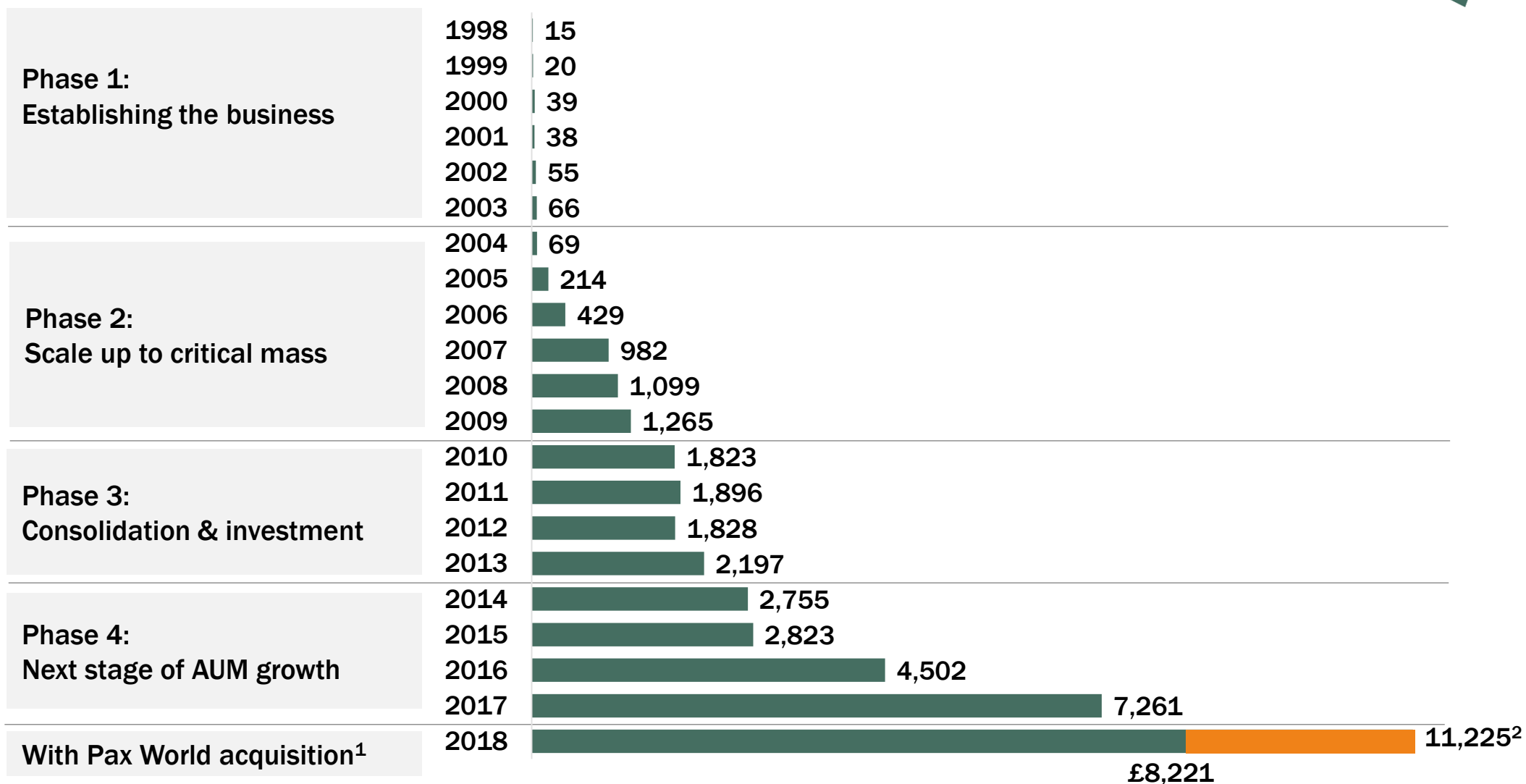
Percentage increase to 30 September 2017



Past performance of a strategy is no guarantee as to its performance in the future. The value of investments can fall as well as rise and you may get back less than you have invested. All data is in GBP as of 30 September 2017. Composite figures are presented gross of management fees and include the reinvestment of all income. MSCI index is total net return (net dividend reinvested). (source: FactSet/WM Reuters). Impax Asset Management Limited and Impax Asset Management (AIFM) Limited claim compliance with the Global Investment Performance Standards (GIPS)®. Further information on composite data is available on request. Reference should be made to the Annual Disclosure Presentation which can be found at the back of this document.

# Solid track record of growth

AUM FYE £m

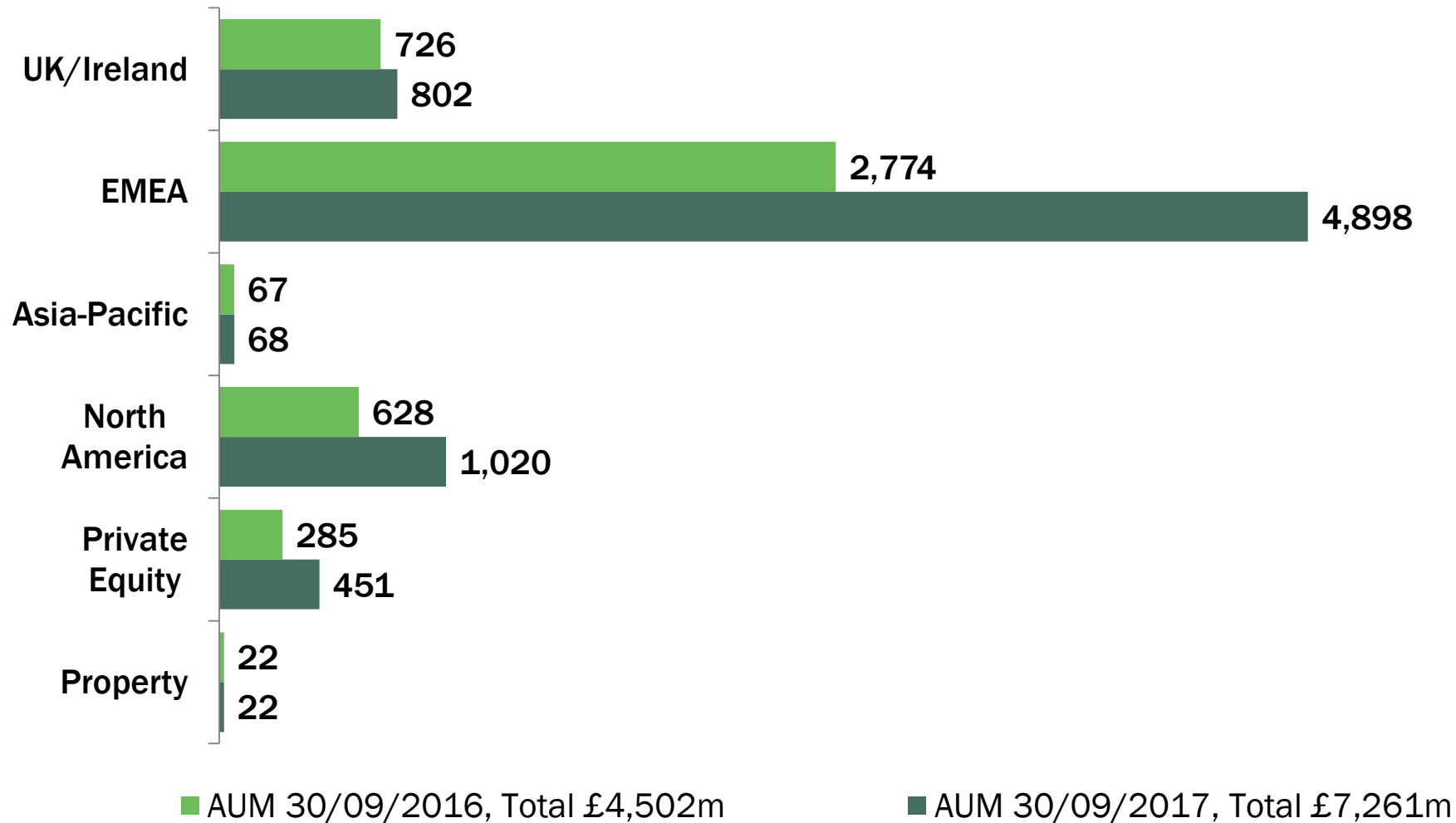


AUM shown as at end of financial years to 2017. <sup>1</sup>Completed on 18 January 2018. <sup>2</sup>As of 31 January 2018, net consolidated AUM.

# AUM growth in Europe and North America

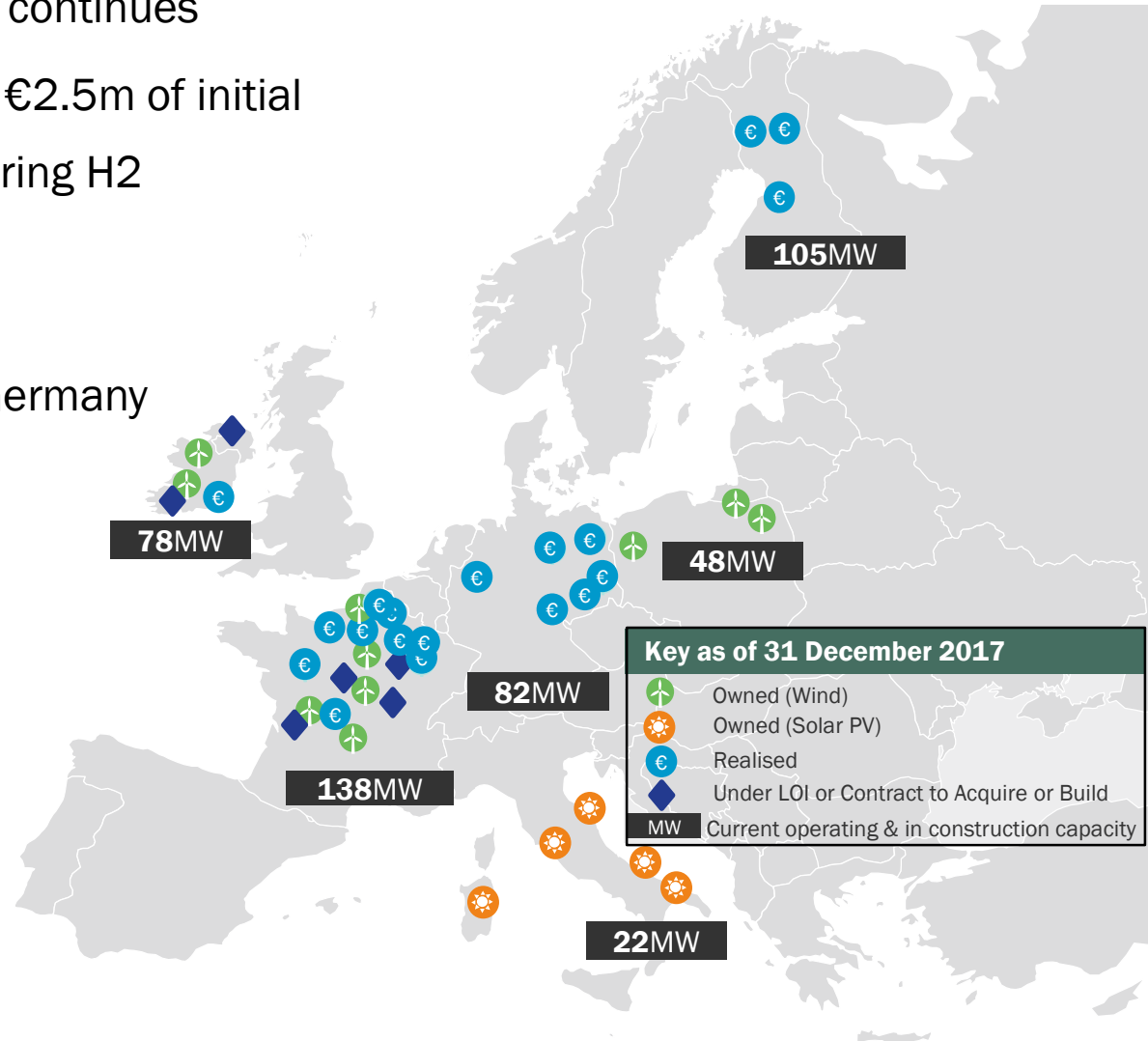


Breakdown by client domicile (£m)



# Private Equity Infrastructure

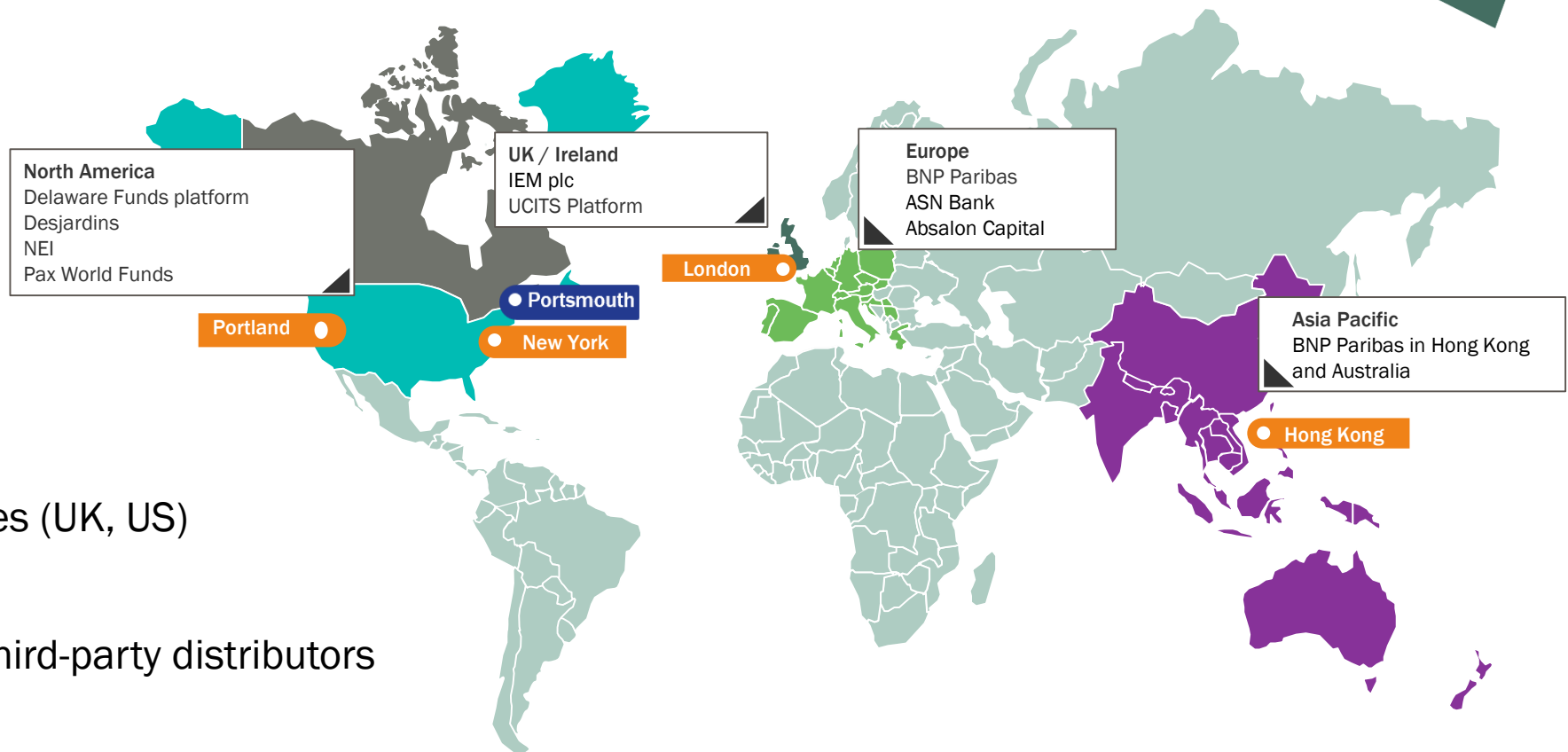
- NEF II: successful realisation of assets continues
  - Impax expecting to receive €1.5 - €2.5m of initial proceeds from carried interest during H2
- NEF III: final close May 2018
  - First investments in France and Germany



Map relates to NEF II.



# Our offices and distribution partners



- In-house sales (UK, US)
- Committed third-party distributors
- Access to over 20 markets
- Client base diversified by type and geography

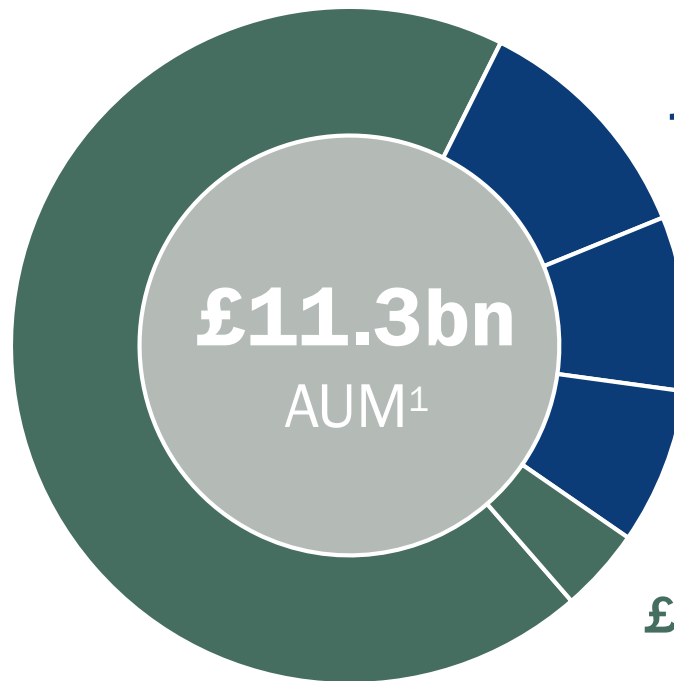
Impax Asset Management Ltd

Impax Asset Management LLC<sup>1</sup>

<sup>1</sup>Previously Pax World Management LLC.

# Expanding our range of investment strategies

**£7.8bn** Thematic Equities



**£1.3bn** Unconstrained Equities

**£947m** Smart Beta

**£844m** Fixed Income

**£476m** Real Assets

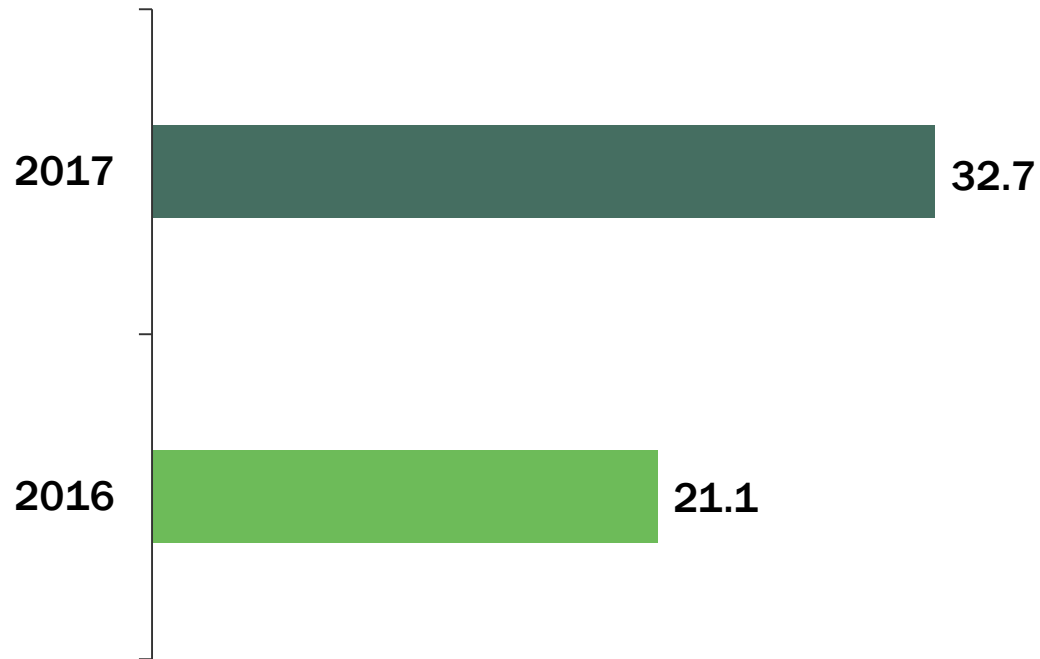
London managed // US managed<sup>2</sup>

<sup>1</sup>As at 31 December 2017. Assets under advice represent ~3%. Total of asset classes may differ due to rounding. <sup>2</sup>US managed AUM refers to Pax World Funds. Impax acquired Pax World Management LLC on 18 January 2018.

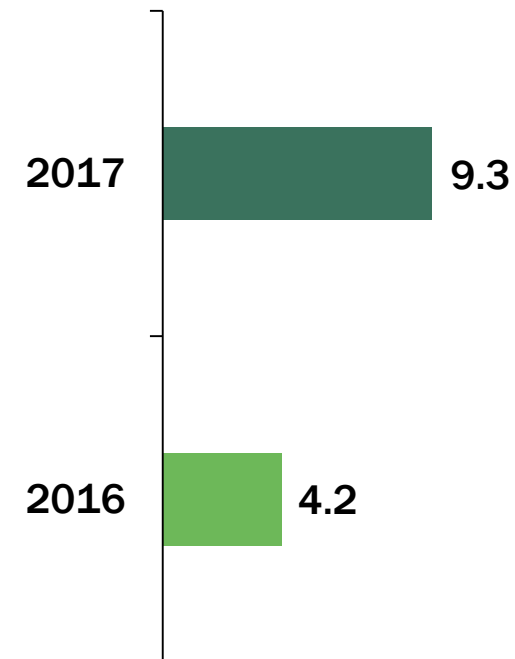
## 2017: Financial highlights

# Financial highlights (1) – Operating performance

## REVENUE (£m)



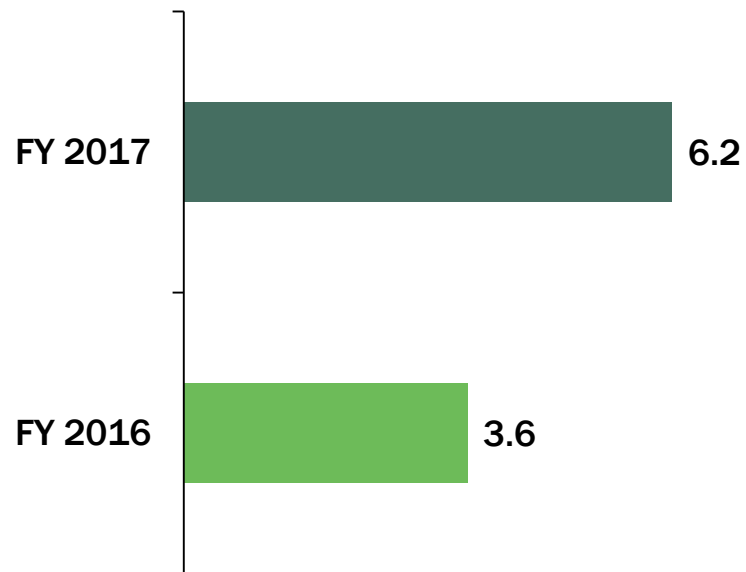
## OPERATING EARNINGS (excluding non-recurring<sup>1</sup>) (£m)



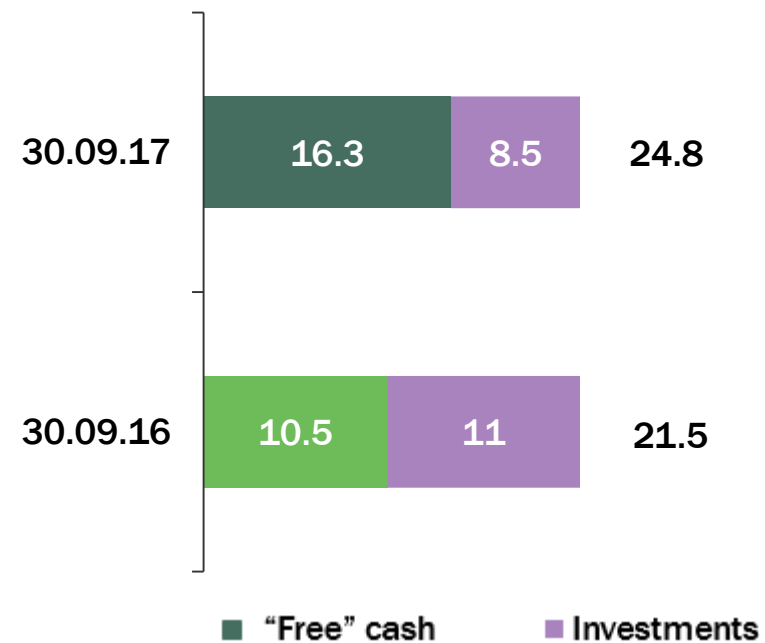
<sup>1</sup>£1.4m of mark to market NIC on share schemes which are more than offset by corporation tax credits.

# Financial highlights (2) – Earnings and balance sheet

## DILUTED EPS (p)



## BALANCE SHEET<sup>1</sup>

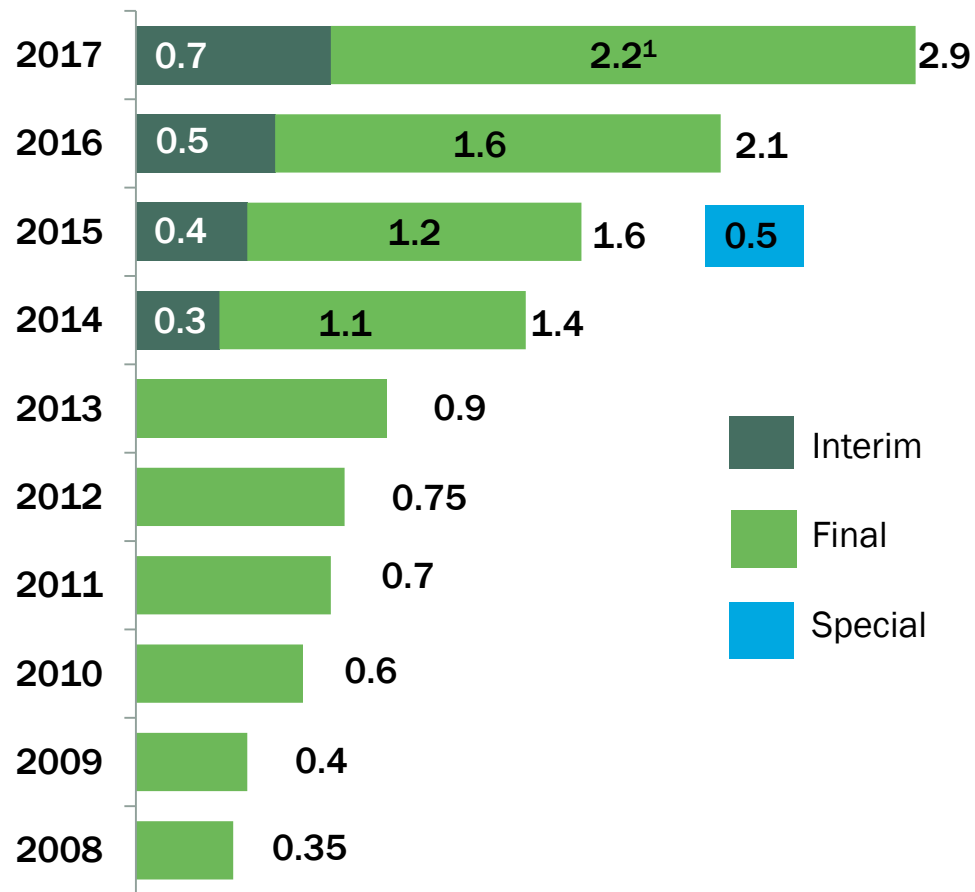


"Free" assets per share around 22.3p (2016: 19.2p)

<sup>1</sup>Excluding Pax acquisition. <sup>2</sup>Proposed.

# Financial highlights (3) – Dividend

## DIVIDEND (p)

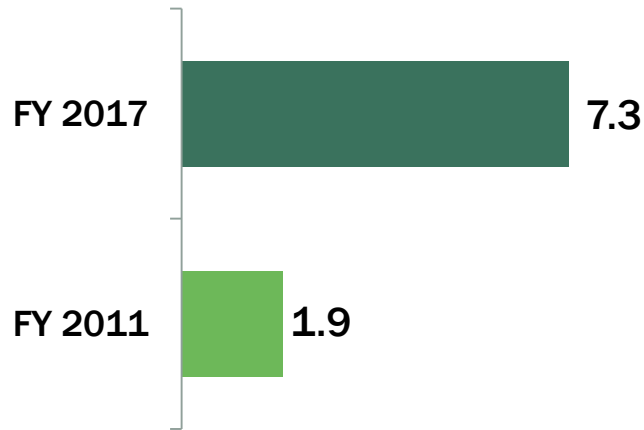


<sup>1</sup>Proposed.

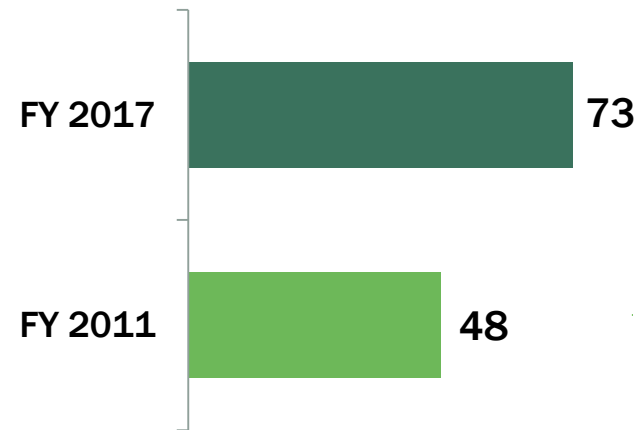
# Long-term trends

## Strong cost control

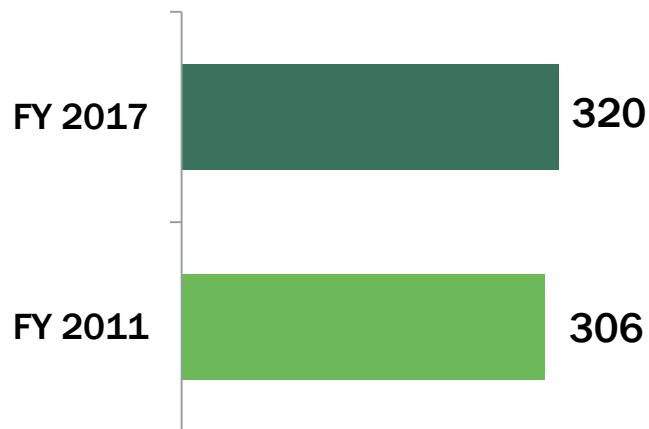
AUM (£bn)



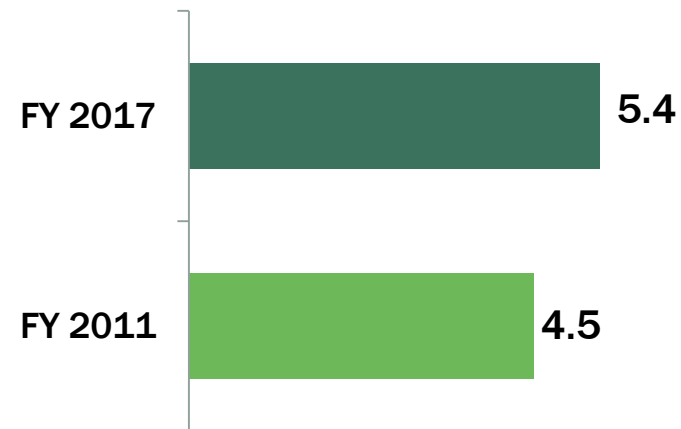
AVERAGE NUMBER OF EMPLOYEES



TOTAL OPERATING COSTS PER EMPLOYEE (£'000)<sup>1</sup>



NON STAFF COSTS (£m)



<sup>1</sup>Excludes costs relating to NIC provision on share awards.

## **Acquisition of Pax World Management LLC**

**Creating a leading investment manager  
focused on the transition to a more  
sustainable global economy**



## Pax acquisition: transaction summary

- Founded in 1971, a pioneer in “sustainable investing”
- Impax and Pax have successfully collaborated for more than a decade to design, launch and manage the \$652m<sup>1</sup> Pax Global Environmental Markets Fund
- Transaction completed on 18 January 2018, Pax renamed Impax Asset Management LLC
- Financed by Impax’s balance sheet cash, Impax shares and new debt
- Combined Group has AUM of \$15.9 billion<sup>2</sup> (£11.3 billion)<sup>3</sup>

<sup>1</sup>As of 31 January 2018. <sup>2</sup>US\$/£1.293. <sup>3</sup>Net consolidated as of 31 January 2018.

# Investment capabilities

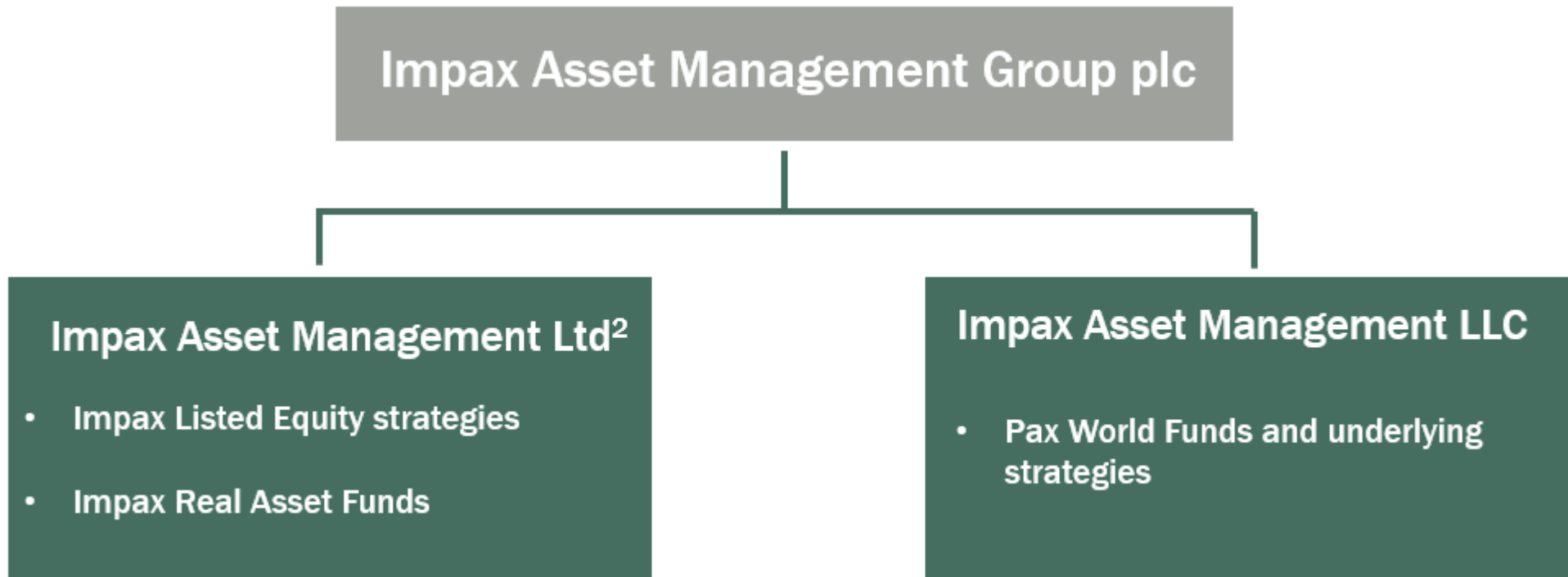
Asset class	Style	Strategy	Impax	Pax
Listed equity	Active	Global thematic	✓	-
		Global unconstrained	✓	-
		US	✓	✓
		Europe	✓	-
		Asia	✓	-
	Smart Beta	Global thematic	-	✓
		US	-	✓
Private equity			✓	-
Fixed income			-	✓

## Key financial metrics

	Impax prior to acquisition	Combined Group <sup>1</sup>
Run rate revenue	£36.1m	£59.6m
Run rate EBITDA	£11.1m	£15.6m
Cash <sup>2</sup>	£22.3m	£13.1m
Investments	£8.6m	£8.6m
Debt	0	£20.1m
Shares in issue	127.7m	132.0m <sup>3</sup>   137.8m <sup>4</sup>
Goodwill/intangibles arising on acquisition	0	£38.5m (approx)

<sup>1</sup>US\$/£1.293. <sup>2</sup>At announcement. <sup>3</sup>Includes shares issued at Closing on 18 January 2018 as part of the initial consideration, at an assumed prevailing IPX share price of 110p (actual share price used 171p). <sup>4</sup>Includes shares issued as consideration to Pax management in 2021 at an assumed prevailing IPX share price of 110p (actual share price used 171p).

# Impax Asset Management Group plc structure<sup>1</sup>



<sup>1</sup>Simplified. <sup>2</sup>Sister company of Impax Asset Management (AIFM) Ltd.

## Future prospects

# Future prospects



<sup>1</sup>On 18 January 2018, Impax Asset Management Group plc acquired Pax World Management LLC (“Pax”), now renamed Impax Asset Management LLC.

## Appendix

# Income analysis

## Income statement

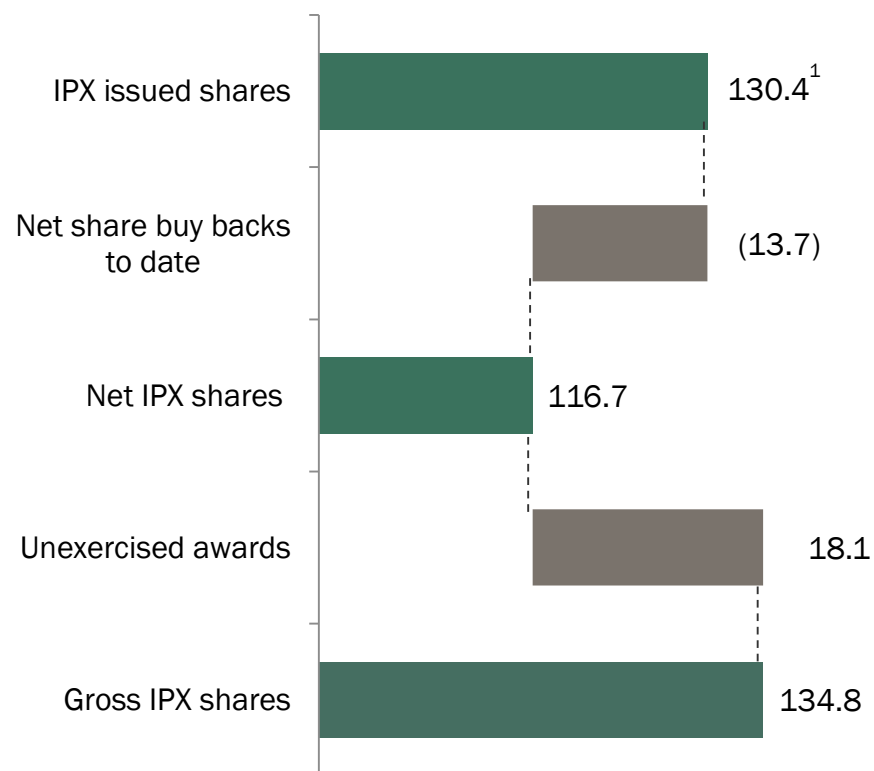
	Total year ended September 2017	Total excluding non-recurring year ended September 2017	Non-recurring year ended September 2017	Comments on non-recurring items
	£'000	£'000	£'000	
Revenue	32,694	32,694	-	
Operating costs	(24,809)	(23,365)	(1,444)	Mark to market national insurance on equity awards more than offset by tax credits
Operating earnings	7,885	9,329	(1,444)	
Operating margin	24%	29%		
Charges on legacy long-term incentive schemes	(653)	-	(653)	Mark to market national insurance and retention payments related to legacy equity awards more than offset by tax credits
Exceptional acquisition costs	(999)	-	(999)	Transaction costs on Pax acquisition
Investment fair value (losses)/gains and income	(380)	(594)	214	Revenue from legacy investment
<b>Profit before taxation</b>	<b>5,853</b>	<b>8,735</b>	<b>(2,882)</b>	
Taxation	1,814	(1,074)	2,888	Tax reclaim relating to Private Equity income £2.4m and tax credit related to mark to market on equity awards £0.5m
<b>Profit for the period</b>	<b>7,667</b>	<b>7,661</b>	<b>6</b>	
<b>Statement of comprehensive income</b>				
Tax credit on long-term incentive schemes	2,540	-	2,540	Tax credit related to mark to market on equity awards
Sundry revaluation effects	88	88	-	
<b>Total comprehensive income</b>	<b>10,295</b>	<b>7,749</b>	<b>2,546</b>	



# IPX shareholder register

## Significant staff ownership

### FULLY DILUTED IPX SHARES (m)



### SHARE AWARDS OUTSTANDING

Awards	Number outstanding	Vesting date	End of exercise period
2011 ESOP	-	Vested	31/12/2017
2012 ESOP	850,000	Vested	31/12/2018
2013 ESOP	1,016,000	Vested	31/12/2019
2014 ESOP	2,554,000	Vested	31/12/2020
2015 ESOP	1,000,000	Vested	31/12/2020
2017 ESOP	1,300,000	31/12/2020	31/12/2023
2014 RSS	499,999	31/12/2017/18/19 <sup>2</sup>	
2015 RSS	4,140,000	31/12/2018/19/20 <sup>2</sup>	
2017 RSS	3,050,000	31/12/2019/20/21 <sup>2</sup>	
2017 A RSS	675,000	31/12/2020/21/22 <sup>2</sup>	
<b>Total ESOP and RSS</b>	<b>15,084,999</b>		
2010 LTIP	2,969,500 <sup>3</sup>	Vested	31/12/2020

<sup>1</sup>Excludes any future awards to Impax Asset Management LLC staff. <sup>2</sup>Restricted shares vest in three equal tranches in each of the years. Their vesting is subject to continued service of the employee at the vesting date. <sup>3</sup>LTIP awards have been covered by shares issued. Share buy backs are used to cover the ESOP and RSS awards.

# Specialists: annual disclosure presentation

## September 2017 - USD

Year	Total Firm Assets (Millions)	Ending Market Value (Millions)	Number of Portfolios	Annual Gross Return	Annual Net Return	MSCI ACWI Annual Return	FTSE ET Annual Return	Asset Weighted StdDev*	3yr Annualized Std Dev**	MSCI ACWI 3yr Annualized Std Dev**	FTSE ET 3yr Annualized Std Dev**
2017 YTD	8,655.21	1,878.82	9	21.17	20.15	17.25	27.35	0.76	11.67	10.42	13.25
2016	5,456.11	1,398.70	9	14.71	13.44	7.86	2.19	0.91	13.33	11.06	15.04
2015	3,879.17	1,098.62	7	0.41	-0.68	-2.36	-0.77	0.45	12.34	10.79	14.25
2014	3,522.26	1,101.22	6	-3.83	-4.83	4.16	-1.96	0.58	13.11	10.50	13.67
2013	3,231.36	1,202.01	6	35.97	34.62	22.80	44.58	1.52	16.20	13.94	18.48
2012	2,349.66	1,015.88	6	13.32	12.20	16.13	5.82	0.85	19.55	17.13	22.67
2011	2,224.45	1,071.13	6	-18.20	-19.00	-7.35	-27.92	0.48	23.91	20.59	27.65
2010	2,913.42	1,571.81	6	9.32	8.13	12.67	-5.20	0.57	30.07	24.49	36.33
2009	2,162.13	1,351.73	5	45.37	43.79	34.63	29.34	--	28.14	22.34	35.13
2008	1,199.84	919.32	4	-42.40	-42.97	-42.19	-54.54	--	25.72	17.97	33.89
2007	1,854.19	1,564.87	3	19.53	18.34	11.66	72.27	--	15.70	8.65	18.64
2006	760.61	612.82	3	39.97	38.58	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	25.28	15.23	13.79	--	--	--	--
2003	66.21	59.11	1	37.22	35.86	33.99	32.93	--	--	--	--
2002	48.90	43.86	1	-35.86	-36.39	-16.39	-35.22	--	--	--	--

Results shown for the year 2017 represent a partial performance from January 1, 2017 through September 30, 2017.

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

\* Information is not statistically meaningful as the composite contains a low number of accounts.

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

FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data launched on January 2014, previous data represents FTSE ET50. FTSE ET50 launched January 2008, data has been back tested by FTSE.

The **Specialists Global Composite** contains long only accounts which invest in companies where a majority of the business activities are in the provision of services, infrastructure and technology in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management and sustainable food, agriculture and forestry. For comparison purposes, the composite is measured against the MSCI All Country World Index and FTSE ET indices. FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data launched on January 2014, previous data represents FTSE ET50. FTSE ET50 launched January 2008, data has been back tested by FTSE.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited claim compliance with Global Investment Performance Standards (GIPS®) and have prepared and presented this report in compliance with the GIPS standards. Impax Asset Management Limited and Impax Asset Management (AIFM) Limited have been independently verified for the periods March 1, 2002 through to June 30, 2017. The verification reports are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited 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. The firm maintains a complete list and description of composites, which are available upon request.

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 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. 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.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. MSCI All Country World is presented net of foreign withholding taxes on dividends, interest income and capital gains while FTSE ET Indices performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest fee of 1.1%. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Since June 2014 the highest annual management fee for the composite is 1.1%, previously the highest was 1.0% from January 2012 to May 2014. Previously the highest fee was 0.9863% from January 2011 to December 2011, 1.1% from January 2009 to December 2010, 1% from January 2006 to December 2008, 1.05% from January 2005 to December 2005 and prior to that the highest was 1%. Actual investment advisory fees incurred by portfolios may vary.

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 Specialists Global Composite was created March 31, 2015.

MSCI AC World Index performance presented is net of withholding taxes while FTSE ET performance is gross of withholding taxes given the unavailability of net of withholding taxes returns by FTSE.

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.

# Leaders: annual disclosure presentation

## September 2017 - USD

**Impax**  
ASSET MANAGEMENT

Year	Total Firm Assets (millions)	Ending Market Value (Millions)	Number of Accounts	Annual Gross Return	Annual Net Return	MSCI ACWI Annual Return	FTSE EO All-Share Total Return	Asset Weighted StdDev*	3yr Annualized Std Dev**	MSCI ACWI 3yr Annualized Std Dev**	FTSE EO All-Share 3yr Annualized Std Dev**
2017 YTD	8,655.21	1,768.62	8	21.15	20.40	17.25	23.33	0.46	11.87	10.42	11.54
2016	5,456.11	1,039.42	6	11.90	11.03	7.86	11.68	--	12.85	11.06	12.19
2015	3,879.17	746.22	4	-1.06	-1.60	-2.36	-1.92	--	11.97	10.79	11.86
2014	3,522.26	639.57	4	-2.03	-2.56	4.16	0.14	--	12.20	10.50	11.77
2013	3,231.36	538.39	4	33.09	32.36	22.80	31.92	--	16.29	13.94	16.71
2012	2,349.66	335.13	4	21.70	21.03	16.13	16.65	--	19.45	17.13	20.25
2011	2,224.45	254.25	5	-12.65	-13.13	-7.35	-13.55	--	22.01	20.59	23.48
2010	2,913.42	179.50	4	11.63	9.98	12.67	18.18	--	--	--	--
2009	2,162.13	160.66	4	36.66	34.64	34.63	38.23	--	--	--	--
2008*	1,199.84	83.54	3	-34.98	-35.78	-37.22	-37.69	--	--	--	--

Results shown for the year 2017 represent a partial performance from January 1, 2017 through September 30, 2017.

Results shown for the year 2008 represent partial period performance from March 1, 2008 through December 31, 2008.

\* Information is not statistically meaningful as the composite contains a low number of accounts.

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

The **Leaders Composite** contains long only accounts which invest in companies that provide services, infrastructure and technology in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management and sustainable food, agriculture and forestry. These accounts contain Leaders companies with leading environmental divisions, in addition to pure play companies that have a majority of their business activities in environmental markets. For comparison purposes, the composite is measured against the MSCI All Country World Index and FTSE Environmental Opportunities All-Share indices.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited claim compliance with Global Investment Performance Standards (GIPS®) and have prepared and presented this report in compliance with the GIPS standards. Impax Asset Management Limited and Impax Asset Management (AIFM) Limited have been independently verified for the periods March 1, 2002 through to June 30, 2017.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Leaders composite has been examined for the periods March 1, 2008 through to June 30, 2017. The verification and performance examination reports are available upon request.

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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. FTSE Environmental Opportunities All-Share Index includes global companies for which at least 20% of their business comes from environmental markets and technologies. All indices are displayed in USD.

Effective from June 2014 the MSCI All Country World index was added as a new benchmark to better reflect the investment objectives of the composite.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. MSCI All Country World performance is presented net of foreign withholding taxes on dividends, interest income and capital gains while FTSE Environmental Opportunities All-Share performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains. Past performance is not indicative of future results.

The U.S. Dollar 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. Net of fee performance was calculated using the highest fee of 0.80%. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Since February 2016 the highest annual management fee for the composite is 0.80% prior to that was 0.55% from January 2011 to January 2016, prior to that the highest was 1.5%. Actual investment advisory fees incurred by portfolios may vary.

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 Composite name changed from The Environmental Long Only All Cap Composite to The Environmental Leaders Composite in January 2010.

As of 31 March 2013, the Environmental Leaders Composite has been renamed the Leaders Composite.

The Leaders Composite was created October 1, 2008.

Prior to March 2015 the composite was also measured against MSCI World Index. The index was removed to match the official marketing material and to simplify the GIPS complaint presentation.

Starting March 2015 the MSCI AC World Index performance presented was changed from gross of withholding taxes to net of withholding taxes while FTSE Environmental Opportunities All Share Index performance is gross of withholding taxes given the unavailability of net of withholding taxes returns by FTSE. The amendment was applied retroactively to more accurately reflect the composite performance.

# Water: annual disclosure presentation

## September 2017 - USD

Year	Total Firm Assets (Millions)	Ending Market Value (Millions)	Number of Portfolios	Annual Gross Return	Annual Net Return	MSCI ACWI Annual Return	FTSE EO Water Technology Annual Return	Asset Weighted StdDev*	3yr Annualized Std Dev**	MSCI ACWI 3yr Annualized Std Dev**	FTSE EO Water Technology 3yr Annualized Std Dev**
2017 YTD	8,655.21	2,938.66	2	22.94	22.62	17.25	20.34	--	10.67	10.42	10.07
2016	5,456.11	1,722.83	2	11.20	10.81	7.86	8.09	--	12.24	11.06	11.19
2015	3,879.17	1,288.46	2	3.21	2.34	-2.36	3.43	--	11.84	10.79	11.00
2014	3,522.26	1,066.63	2	3.03	1.97	4.16	7.43	--	12.10	10.50	11.01
2013	3,231.36	706.40	1	29.46	29.01	22.80	31.53	--	14.25	13.94	14.65
2012	2,349.66	136.95	1	25.25	24.81	16.13	19.27	--	17.72	17.13	18.16
2011	2,224.45	75.23	1	-9.64	-10.09	-7.35	-10.29	--	20.20	20.59	21.66
2010	2,913.42	62.31	1	16.66	16.08	12.67	18.40	--	--	--	--
2009	2,162.13	30.01	1	40.26	39.56	34.63	35.19	--	--	--	--

Results shown for the year 2017 represent a partial performance from January 1, 2017 through September 30, 2017.

\* Information is not statistically meaningful as the composite contains a low number of accounts.

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

The **Water Composite** contains long only accounts which invest in companies that provide services, infrastructure and technology in the water-related sectors of environmental markets. For comparison purposes, the composite is measured against the MSCI All Country World Index and the FTSE EO Water Technology Index.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited claim compliance with Global Investment Performance Standards (GIPS®) and have prepared and presented this report in compliance with the GIPS standards. Impax Asset Management Limited and Impax Asset Management (AIFM) Limited have been independently verified for the periods March 1, 2002 through to June 30, 2017. A copy of the verification reports are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS. Verification does not ensure the accuracy of any specific composite presentation.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited 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. The firm maintains a complete list and description of composites, which are available upon request.

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 FTSE EO Water Technology Index covers companies that provide or operate technologies, infrastructure and services for the supply, management and treatment of water for industrial, residential, utility and agricultural users. The FTSE EO Water Technology 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.

Effective from June 2014 the MSCI All Country World index was added as a new benchmark to better reflect the investment objectives of the composite.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. MSCI All Country World performance is presented net of foreign withholding taxes on dividends, interest income and capital gains while FTSE EO Water Technology performance is presented net of foreign withholding taxes on dividends, interest income and capital gain. Past performance is not indicative of future results.

The U.S. Dollar 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. Net of fee performance was calculated using the highest fee of 0.35% until January 31, 2014, 1.10% from February 28, 2014 to August 31, 2015 following the introduction of the Impax Fundamental Long Only Water Fund in the composite and 0.35% from September 30, 2015 following the removal of the Impax Fundamental Long Only Water Fund and the introduction of the Parvest Aqua Fund in the composite a month before. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

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 Composite name changed from The Environmental Long Only Water Composite to The Water Composite in January 2010.

The Water Composite was created January 1, 2009.

Prior to March 2015 the composite was also measured against MSCI World Index. The indices were removed to match the official marketing material and to simplify the GIPS compliant presentation.

Starting March 2015 the MSCI AC World Index performance presented was changed from gross of withholding taxes to net of withholding taxes while FTSE EO Water Technology Index performance is gross of withholding taxes given the unavailability of net of withholding taxes returns by FTSE. The amendment was applied retroactively to more accurately reflect the composite performance.

# Important information

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