

INSIDE

THE NEXT 30 YEARS:
INVESTING IN THE
TRANSITION TO A MORE
SUSTAINABLE ECONOMY

PAX LARGE CAP FUND
NAMED ACTIVE ESG
MUTUAL FUND OF THE
YEAR AT 2022 WITH
INTELLIGENCE AWARDS

Engagement and Policy Advocacy Report 2022

In our fifth annual Engagement and Policy Advocacy report, we summarize our activities in 2021 and outline our focus areas looking ahead.

Realizing change often demands patience and persistence. Impax is committed to helping companies and policymakers navigate the transition to a more sustainable economy and, in so doing, mitigate risks and enhance opportunities for our clients. Engagement and policy advocacy are essential parts of our toolkit.

In this year's report, we summarize the outcomes of our engagements with companies in 2021 and highlight the core issues that we continued to focus on, namely:

- Climate change
- Environmental issues such as pollution and resource depletion
- Human capital issues such as diversity, equity, inclusion, environmental justice, and health and safety
- Corporate governance

We also outline shareholder proposals that we filed or co-filed in 2021 as well as the outcomes of our proxy voting activities. Interviews discuss which areas we will continue to focus on in our long-term engagement work and why human capital has risen to the top of the engagement agenda.

This year's report also includes an enhanced focus on Impax's policy advocacy work, through which we aim to support policymakers in the creation of enabling environments which will accelerate the transition to a sustainable economy.

Positive engagement outcomes
Impax undertook **204**
company engagements in 2021

47% of engagements with a positive outcome* in 2021

8% of engagements where 'milestone achieved' **39%** of engagements where 'progress achieved'

13% of engagements achieved a positive outcome that we believe was largely driven by Impax's efforts

** Positive outcomes are classified as "progress achieved" or "milestone achieved" as assessed by Impax against engagement objectives.*

In 2021, our policy advocacy work continued to focus on financing net zero, greening the financial system, and nature and biodiversity loss. In the run-up to the COP26 climate summit, Impax actively contributed to commitments and calls to action that were announced in Glasgow, including the emergence of coalitions committing to ambitious action in key areas.

There is undoubtedly a growing sense of urgency towards addressing the environmental and social challenges facing the planet and its people. We continue to work to help address these challenges and improve our pricing of risks through engagement and policy advocacy activities, which we are delighted to report on here. **X**

Read the full report:
www.impaxam.com/engagement

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The Next 30 Years: Investing in the Transition to a More Sustainable Economy

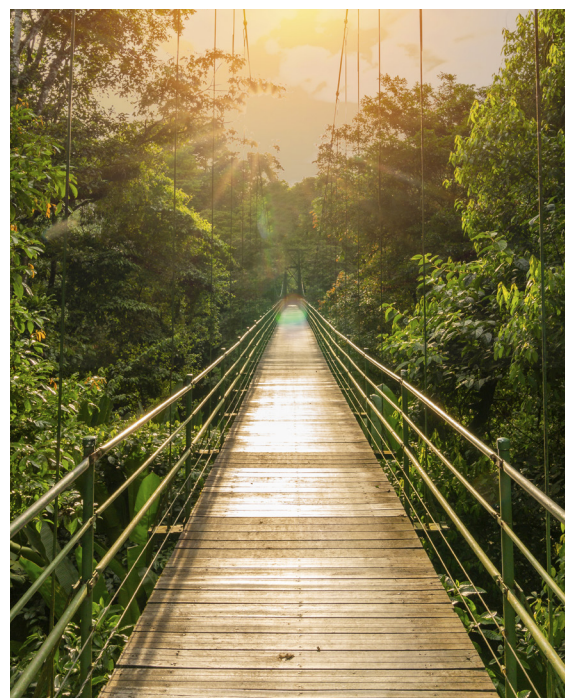
The next 30 years will require an epochal transition from an industrial-age economy where negative long-term environmental and social externalities are ignored to a sustainable economy where future growth is accompanied by dramatically improved environmental and social outcomes. The future of human civilization as well as countless species, and indeed of nature itself, depends on it.

The transition to a more sustainable economy will require far more intentionality than we see today, in the sense that businesses, capital markets, civil society and governments will need to reach a broad consensus on goals and set a course to reach them. We should not underestimate the immensity of this challenge.

Moving to a 'sustainable economy' goes beyond achieving net zero emissions by midcentury to avert a climate catastrophe – an ambitious agenda in and of itself – but to a much broader transition from a depletive economic model to a more circular, restorative economic model.

In this article, Joe Keefe describes how the transition to a more sustainable economy will require more intentionality than we see today. [X](#)

View article:
www.impaxam.com/30years



Pax Large Cap Fund Named Active ESG Mutual Fund of the Year at 2022 With Intelligence Awards

At this year's With Intelligence Mutual Fund & ETF Awards 2022, the **Pax Large Cap Fund** was recognized as Active ESG Mutual Fund of the Year, an honor determined by a combination of several factors, including flows, performance, innovation and fund objectives. [X](#)

Learn more:
www.impaxam.com/LCFAward

RISKS: Investments involve risk, including potential loss of principal. Equity investments are subject to market fluctuations, the fund's share price can fall because of weakness in the broad market, a particular industry, or specific holdings. The Fund is actively managed.

More information about the With Intelligence Mutual Fund & ETF Awards: The With Intelligence Mutual Fund & ETF Awards, granted annually, recognize and reward the top business leaders, creative minds, product development pros, innovators and fund

performers over the past 12 months in the sector. The judging process is based on the views of a panel of allocators, ETF strategists, independent directors and consultants. The 2022 mutual fund performance awards were judged based on 2021 performance and flows. To be considered for newcomer categories, funds must have \$25m AUM. For all other categories funds are required to be at least \$50m. Funds launched before Jan. 1, 2021 are eligible for entry. For more information see: <https://fundintelligence.evessicloud.com/MFA/en/page/home>

You should consider a fund's investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 800.767.1729 or visiting www.impaxam.com. Please read it carefully before investing.

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