

Item 1. Cover Page



Impax Asset Management Limited and Impax Asset Management (AIFM) Limited

7th floor
30 Panton Street
London
SW1Y 4AJ
United Kingdom
Tel: +44 (0) 20 3 912 3000 Fax: +44 (0) 207 434 1123
Email: clientservices@impaxam.com

www.impaxam.com

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Form ADV Part 2A Brochure

This brochure provides information about the qualifications and business practices of Impax Asset Management Limited and Impax Asset Management (AIFM) Limited. If you have any questions about the contents of this brochure, please contact us at +44 (0) 203 912 3000 or by email to clientservices@impaxam.com. The information in this brochure has not been approved or verified by the United Kingdom Financial Conduct Authority or by the United States Securities and Exchange Commission (the "SEC") or any other state securities authority.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited are registered investment advisers with the SEC. Registration with the SEC does not imply a certain level of skill or training. Additional information about Impax Asset Management Limited and Impax Asset Management (AIFM) Limited is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Since the last update to Form ADV Part 2A Brochure in December 2021 we note the following change:

1. We have made routine updates to information throughout the brochure.

Impax Asset Management Limited and Impax Asset Management (AIFM) Limited

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Item 4. Advisory Business

A. Description of the Firms

Impax Asset Management Limited (“IAM”) and Impax Asset Management (AIFM) Limited (“AIFM,” each a “Firm, and, collectively, the “Firms”) are UK investment management companies authorized and regulated by the U.K. Financial Conduct Authority (“FCA”). Both Firms are also U.S. Securities and Exchange Commission (the “SEC” or the “Commission”) registered investment advisers, which does not imply a certain level of skill or training. IAM and AIFM started operations in 1998 and 2014, respectively, and each is wholly owned by, and is a principal operating subsidiary of, Impax Asset Management Group plc (“Impax”), which is listed on the AIM market of the London Stock Exchange. IAM and AIFM operate as integrated advisers. Certain IAM employees are dual hatted with AIFM, meaning the employees provide investment advisory services on behalf of both Firms. Consequently, conflicts of interest can arise in the allocation of investment opportunities and the potential sharing of material non-public information. The Firms have adopted policies and procedures to address or mitigate those conflicts.

Impax Asset Management LLC (“Impax LLC”) is a U.S. is a register investment adviser and an affiliate of IAM and AIFM. In performing advisory services, the Firms utilize the talents of investment professionals employed by Impax LLC to assist with management of certain investment strategies or products. In keeping with applicable regulatory guidance, Impax LLC has entered into an agreement with the Firms pursuant to which Impax LLC is considered a "Participating Affiliate" of the Firms, as that term is used in certain no-action positions taken by the staff of the Commission. These arrangements allow the Firms to use the resources and professional expertise of Impax LLC to render portfolio management services to clients of the Firms.

The Firms are specialist asset managers focused on investing in the transition to a more sustainable global economy. The Firms invest in companies and assets that are well positioned to benefit from the shift to a more sustainable global economy. The Firms offer a well-rounded suite of investment solutions to publicly and privately offered pooled investment vehicles, professional clients and institutional investors in accordance with the requirements of client specific investment agreements. Additional detail regarding the types of clients to which each Firm provides investment management services are disclosed in each Firm’s Form ADV Part 1A.

As of September 30, 2022, the Firms had discretionary Regulatory Assets under Management of \$34,587 million as follows:

- Impax Asset Management Limited:
 - Discretionary: \$31,188 million
 - Non-Discretionary: \$ 1,025 million
 - Total: **\$ 32,213 million**

- Impax Asset Management (AIFM) Limited:
 - Discretionary: **\$ 2,374 million**

B. Types of Advisory Services for IAM

Separately Managed Accounts

IAM provides ongoing investment services to the separately managed accounts of various institutional clients based on the investment goals, objectives, time horizon and risk

tolerance of each client. IAM has entered into investment agreements with each of its clients.

Pooled Investment Vehicles

IAM provides investment services to non-affiliated pooled investment vehicles. IAM provides discretionary investment services to its clients according to the investment objectives described in the applicable investment management agreement and not individually to the investors in such pooled investment vehicles.

Sub-Advisory Services

IAM also acts as sub-adviser to additional types of clients, also based on the investment goals, objectives, time horizon and risk tolerance of its clients, which include:

- Affiliated and non-affiliated open-ended investment companies registered under the Investment Company Act;
- Nonaffiliated non-US funds registered under the securities laws of offshore jurisdictions, including Undertakings for Collective Investments in Transferable Securities (also known as UCITS);
- US collective investment trusts and other investment trusts; and
- Separate Accounts.

Wrap Fee Programs

Additionally, IAM manages certain “wrap fee” accounts of one or more wrap fee program(s) (“Wrap Fee Program”) sponsored by unaffiliated brokers or other financial institutions (“Program Sponsor”) where the wrap fee client selects IAM as the investment adviser for the client’s Wrap Fee Program account. The Program Sponsor monitors and evaluates IAM’s performance and provides custodial services for the client’s assets, all for a single fee paid by the client to the Program Sponsor. IAM’s fees and services for managing the wrap accounts are set forth in IAM’s agreement with the Program Sponsor. As compensation, IAM receives a portion of the fee the Program Sponsor charges the wrap fee client.

IAM’s role as an investment adviser participating in Wrap Fee Programs is substantially similar to its role in managing other separately managed accounts in that IAM manages each account in accordance with the model portfolio utilized by the investment strategy chosen by the client or Program Sponsor, subject to client-imposed guidelines. Due to such client-imposed guidelines, it is not always possible to manage wrap fee accounts identically to other Wrap Fee Program accounts or separately managed accounts that IAM also manages.

IAM anticipates that the majority of transactions for the Wrap Fee Program accounts will be executed through the Program Sponsors. Nevertheless, IAM has the ability to “step-out” orders if it believes that it is in the best interest of applicable clients.

Model Portfolios

IAM also provides model portfolios to unaffiliated brokers or other financial institutions (“Model Program Sponsors”) or the overlay managers appointed by the Model Program Sponsors (each a “Model Recipient”), which they use to construct portfolios on behalf of institutional clients. In these circumstances, IAM does not have discretion to execute trades. IAM is generally only responsible for providing the updated model portfolio to the Model Recipient on a periodic basis and is compensated based on a percentage of the

total assets of the accounts managed by the Model Recipients or applicable to the model. The Model Recipients are responsible for effecting the trades recommended to achieve the model portfolio.

Please refer to Item 12 for additional information regarding the model portfolio arrangements and how IAM communicates model portfolio holdings under different circumstances and trading processes.

C. Types of Advisory Services for AIFM

Pooled Investment Vehicles

AIFM serves as the investment manager to the Private Equity Funds (defined below), other private funds and an investment trust that invests in listed equities. AIFM provides discretionary investment services to its clients according to the investment objectives described in the applicable investment management agreement and not individually to the investors in such pooled investment vehicles.

D. Other Considerations Regarding AIFM's Private Equity Funds

Side Letters

AIFM and/or a fund has and is expected to at any time enter into other written agreements (“Side Letters”) with one or more investors, with respect to the listed or private equity strategies. These Side Letters do and are expected to entitle an investor to make an investment in a fund on terms other than those in the governing documents. Any such terms, including with respect to: (i) opting out of particular investments, (ii) reporting obligations of the fund or the Firm, (iii) transfers to affiliates, (iv) co-investment opportunities, (v) withdrawals due to adverse tax or regulatory events, (vi) consent rights to certain governing document amendments, (vii) certain fee structures, or (viii) any other matters described in the governing documents, are expected to be more favourable than those offered to any other investors. Furthermore, subject to the provisions of the applicable governing documents, the Firm and/or the fund are expected to permit certain business associates of the Firm and/or its affiliates to invest directly or indirectly in the fund or a parallel vehicle on terms which are expected to be more favourable than those offered to the other investors, including with respect to the payment of management fees and carried interest. If the Firm and/or the fund enter into a Side Letter entitling an investor to opt out of a particular investment or, with the consent of the Firm, to withdraw from the fund, any election to opt out or withdraw by such investor may increase any other investor’s pro rata interest in that particular investment (in the case of an opt-out) or all future investments (in the case of a withdrawal).

Co-Investments in the Private Equity Funds

AIFM is generally authorized to offer co-investment opportunities to investors other than a fund client, even in situations where the fund client is not fully invested in the applicable investment opportunity, if, in the opinion of the Firm, the amount invested by the fund client is sufficient for its purposes, or such co-investment may, among other potential considerations, (i) encourage reciprocal investment offers to the fund client, (ii) enhance the investment opportunity, (iii) improve the economics of the investment in which the fund client participates, (iv) resolve regulatory matters in the country of investment, or (v) allow the fund client to participate in transactions, which if entered into without co-investors, would actually or potentially over time exceed the limits set forth in the fund client’s risk management guidelines or the Firm’s sense of prudence or the portfolio construction plan. Decisions to seek and accept a co-investor will be made in the best interests of the

applicable fund client. Co-investors may, however, demand a significant level of control over the joint investment and may not, in all cases, have the same economic interests or objectives as the fund client, even if the Firm has not offered special terms to a co-investor. Co-investments are made on a pari passu basis, and the co-investors decide whether to participate in each new investment as a co-investor. The Firm's policy is generally to allocate all costs and expenses (including abort costs) relating to a co-investment opportunity proportionately to the co-investing parties, including the fund client. However, there are circumstances where, for commercial or other reasons, such allocation is not possible and such costs and expenses are allocated entirely to the fund.

Item 5. Fees and Compensation

Fees and Compensation Regarding IAM

Fees are negotiated between IAM and its clients based on the strategy and services provided, prior to execution of the client agreement. Fees are charged either monthly or quarterly in arrears. For the listed equity strategies, fees are either calculated by reference to the average or month end net asset values ("NAV") or NAV plus performance fee and are invoiced to clients in arrears.

Fees and Compensation Regarding AIFM

Fees are negotiated between AIFM and its clients based on the strategy and services provided, prior to execution of the client agreement.

For the private equity funds, fees are calculated by reference to committed capital during the relevant fund's investment period, and thereafter invested capital, and are invoiced to clients in advance. AIFM generally charges the funds (i) a priority profit share of 1.75% during the investment period based on total commitments and thereafter reset to 1.75% on a remaining-asset cost basis and (ii) a profit share of 20% after an 8% performance target is achieved. Since investors are generally not permitted to withdraw or redeem their investment in a fund prior to the dissolution of the fund, refunds of management fees are not available to investors. In the event the advisory arrangement is terminated during a quarter, advisory fees that have been prepaid would be returned on a prorated basis, minus reasonable expenses.

For Global Resource Optimization Fund and the Impax Global Opportunities Fund (i.e., the listed equities private funds), AIFM charges a management fee of 1.1% and 0.50%, respectively per annum, based upon the private fund's NAV on the last business day of each month; however, the general partner may assess a higher or lower management fee to certain limited partners in its discretion.

Compensation and termination arrangements apply in accordance with client agreements. Funds managed by AIFM pay normal transaction and brokerage charges incurred in the management of the funds. Clients also pay the costs and charges of the custodian and administrator.

In addition to the fees described above for the private equity funds (the "PE Funds"), the PE Funds and/or their investee companies generally bear the following fees and expenses without limitation:

- Organizational expenses, including all legal and other expenses incurred in connection with the establishment of the PE Fund and the offering of the Interests in the PE Fund up to an amount (excluding value-added tax) subject to limitations, if any, as described in the governing documents, and organizational expenses in

excess of this amount and commissions payable to placement agents, brokers and intermediaries will be paid by the investment manager.

- Operating expenses, which include, without limitation
 - All costs charges and expenses properly incurred by the PE Fund directly or through an investment vehicle in connection with the PE Fund's activities;
 - All interest and other expenses related to a specific acquisition financing, refinancing, hedging, disposal (to the extent they are not capitalized as part of the cost of acquisition) including all broken deal expenses (where pertinent fund investment committee has approved a due diligence budget) or any bridging facility, whether or not such acquisition, financing, hedging, disposal or bridging facility is completed (including but not limited to all legal accounting and brokerage fees and expenses and registration fees and expenses);
 - External consultant fees, including indirectly those of the operating partners, which are charged to the applicable investee company, financing costs and expenses relating to the evaluation, negotiation, acquisition, protection, monitoring and disposition of the PE Fund's assets;
 - The costs, fees and expenses of all legal, auditing, consulting, accounting administrative, financial or other professional advisers (including the overhead costs of personnel providing accounting services) and all independent consultants retained to advise the general partner or investment manager in respect of the PE Fund whether generally or with respect to actual or potential acquisitions (including the construction or operation of underlying assets), ownership or disposals by the PE Fund (to the extent they are not capitalized as part of the cost of acquisition);
 - All out-of-pocket costs and expenses incurred in relation to transactions with or for investee companies (unless reimbursed by the investee companies) and the acquisition (including the construction or operation of underlying assets), ownership and disposal of PE Fund assets (including reasonable travel expenses or extraordinary expenses, such as litigation or the cost of enforcing rights, if any) and the exercise by the general partner or the investment manager of any and all voting, conversion or other rights attaching to PE Fund assets;
 - The fees and expenses of the auditors in the preparation of the annual audit of the PE Fund and/or all costs and out-of-pocket expenses incurred by any person in the preparation of partnership tax forms, financial statements and tax returns and the payment of any taxes due from the PE Fund;
 - The expenses of all meetings of the partners, the limited partnership committee and the applicable advisory board in connection with matters relating to the business of the PE Fund and all fees (if any) payable to the members of the LP Committee;
 - The expenses of the independent member of any investment committee in connection with matters relating to the business of the PE Fund and all fees payable to the independent member of the investment committee;
 - Fees and expenses incurred on behalf of the PE Fund in relation to the interpretation of the applicable limited partnership agreement provided the PE Fund is not responsible for any fees or expenses incurred by the investment manager or any of its associates in connection with any legal dispute between the investment manager and/or the general partner on the one hand, and the limited partners on the other, on the interpretation of any provision in the applicable limited partnership agreement;
 - All expenses of any proceedings, litigation or arbitration (including fees of lawyers engaged to act in relation to any such proceedings, litigation or

arbitration or the cost arising from enforcing any rights arising therefrom) by or against the PE Fund or in relation to any investment made by the PE Fund, the amount of any settlements paid in connection therewith and all legal fees incurred for the purposes of the PE Fund;

- All taxes and any statutory fees, if any levied against or in respect of the PE Fund, with certain limited exceptions;
- The amount of any VAT paid by the general partner or the investment manager or the PE Fund in relation to the business of administration of the PE Fund which is not recoverable by the general partner, the investment manager or the partnership and any cost suffered by the general partner, the manager and any other company in the same VAT group as the general partner as a result of the priority profit share not being subject to VAT;
- Expenses associated with the preparation, printing and distribution of reports to the partners and any Parallel Vehicles as required pursuant to this Agreement or by applicable law (including AIFMD);
- The amount of any expenses incurred in relation to any indemnity given in relation to the PE Fund or any insurance premiums payable in respect of the PE Fund or investee companies (other than any such premiums borne directly by the investee companies);
- All fees and expenses incurred in relation to any broker or to any custodian or nominee of PE Fund assets in relation to the safeguarding, administering and/or holding (or similar) of the PE Fund assets or to perform the other functions of a depository contemplated by the AIFMD;
- All fees and expenses incurred in relation to any fund administrator appointed by the PE Fund, including those associated with the preparation of the PE Fund's financial statements, tax returns and the payment of any taxes due from the PE Fund;
- All fees and expenses incurred in relation to any valuer appointed to value the PE Fund assets; and
- The amount of any advance in respect of the priority profit share.

Transactions fees may be charged to actual or potential investee companies in respect of the PE Fund's own investment in such companies. Costs and fees related to the raising of third-party capital such as third party equity or debt for investee companies, as well as the cost of technical consultants and other expenses of AIFM and/or the applicable general partner who provide services to or for the benefit of investee companies, may also be chargeable to such investee companies by the applicable general partner and such costs and fees shall not constitute "Transaction Fees" or be applied to reducing the Management Fee payable to the general partner.

The listed equities funds bear the following fees and expenses without limitation:

- Management fee of 0.50% or 1.1% per annum based on the fund's NAV on the last business day of each month (the general partner may assess a different management fee or waive the management fee in its sole discretion);
- Organization and offering expenses;
- Fund operating expenses including, but not limited to:
 - Securities brokerage commissions and other transaction costs;
 - Margin and interest expenses;
 - Legal accounting, consulting, valuation and other professional fees;
 - Audit and tax preparation fees;
 - Administration fees;
 - Transactions costs and expenses, including trade matching fees;
 - Costs of research and execution services which are of benefit to the fund and not otherwise provided by brokers; and

- Regulatory and filing expenses.

Item 12, below, further describes brokerage expenses and the factors that the Firms consider in selecting broker-dealers for client transactions and eligible research costs.

Item 6. Performance-Based Fees and Side-by-Side Management

Performance-based Fees

In addition to asset based fees, the Firms charge some of their clients performance-related fees. The Firms manage listed equity funds and private equity funds. The Firms charge a performance-related fee with respect to some of the listed equity funds and the carried interest partner of all of the private equity funds receives carried interest. As a result, the Firms have a financial incentive to favor those funds and accounts that are charged a performance-based fee or incur carried interest. As described below, the Firms have designed and implemented allocation policies and procedures to help ensure all clients are treated fairly and equitably over time, and to prevent this conflict from influencing the allocation of investment opportunities among their clients.

Side-By-Side Management

The Firms have adopted policies and procedures to mitigate possible inherent conflicts associated with managing accounts for multiple clients. In addition, the Firms have adopted trading and allocation policies designed to ensure that their side-by-side management of accounts with different types of fees is at all times consistent with their fiduciary responsibilities to their clients. These policies include requirements that all accounts in the same strategy are managed the same way, that is, the accounts must have the same portfolio holdings and must be traded at the same time subject to certain restrictions. The investment teams for the listed equity strategies and private equity strategies are segregated and operate independently of each other with appropriate digital information barriers in place.

Order allocation and trading procedures help to ensure that all clients are treated equitably and fairly. The allocation policies are reviewed at least annually or when a material change occurs. Compliance has oversight of allocations via the ACA Market Abuse Surveillance (“MAS”) program which tests for potential allocation deviations. All exceptions are reviewed and investigated, ensuring there is fair allocation for all clients.

Item 7. Types of Clients

IAM’s Types of Clients

IAM provides discretionary and non-discretionary portfolio management services to, among other, the following types of clients:

- Corporations
- Pension and profit-sharing plans
- Endowments and foundations
- Trusts
- Charitable organizations
- Insurance companies
- Investment companies (including mutual fund companies)
- Investment consultants
- Religious organizations
- Pooled investment vehicles (including a private equity fund)
- Banking institutions

- Municipalities

The Firm provides investment management and advisory services to professional and institutional clients. The Firm does not market or provide investment services directly to individuals but advises the accounts of individuals through the Wrap Fee Program.

AIFM's Types of Clients

AIFM provides discretionary portfolio management services solely to pooled investment vehicles, which include the PE Funds and three listed equities funds.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. General

The Firms invest on behalf of their clients in both listed equity and private equity infrastructure strategies. The Firms believe the transition to a more sustainable global economy provides a helpful backdrop to construct high conviction, low turnover equity portfolios that are well positioned to achieve long-term capital growth. The Firms' investments are based on a strong conviction that among other macro-economic trends, population dynamics, resource scarcity, inadequate infrastructure and environmental constraints will profoundly shape global markets, creating investment risks and opportunities. The Firms expect that these trends, reflecting the transition towards a more sustainable global economy, will drive earnings growth for well-positioned companies. The Firms' investment framework identifies and calibrates the rising risks and expanding opportunities from this transition and guides the Firms' search for investments that will deliver long-term outperformance.

For strategies managed utilizing designated personnel of the Participating Affiliate, the Firms have oversight and supervisory responsibilities for the services provided by the personnel of the Participating Affiliate.

B. Methods of Analysis

Environmental, Social and Governance (ESG) Analysis

ESG analysis is an integral part of the Firms' investment research process, providing risk mitigation and important insight into the 'character' of a company.

The ESG analysis follows the materiality approach, meaning the analysis assesses corporate governance, and the most significant environmental and/or social risks for a company within the sector and activity in question. The Firms look for strong policies, processes and disclosures of ESG management systems to address the most material risks. Ideally, companies will discuss and disclose their own assessments of the main ESG risks they are facing.

The following are some of the corporate governance factors the Firms evaluate (some of which are more applicable in certain countries and regions):

- Disclosure and general transparency regarding governance structures (internal controls)
- Structure and effectiveness of the Board (relevant backgrounds, experience, diversity, tenures and attendance, "over-boarding", structure of board sub-committees)

- Shareholder rights (shareholder rights in relation to annual general meeting (AGM) practices, calling emergency general meetings (EGMs) and proxy voting, dual share structures with differentiated shareholder rights)
- Ownership structure and control issues (dual share structures, anti-takeover mechanisms such as shareholder plans or "poison pills", dominant shareholders, friends and relatives over-represented on the board, related party transactions)
- Compensation and incentive structures, alignment with shareholder long-term interests and the levels of disclosure and transparency
- Corporate behaviour, reputation and integrity
- Proxy voting and accounting practices (how well are resolutions disclosed, does the company have "aggressive" or "conservative" accounting practices, late filings, etc)

The Firms seek to identify a company's most material environmental and social risks and analyse how well these are managed through policies, processes, management systems and incentives.

The following are some of the sustainability factors the Firms evaluate (some of which are more applicable or material in certain sectors and activities):

- Toxic emissions & waste: emissions to air, soil, water; managed through environmental management systems ("EMS"), targets
- Carbon emissions/energy efficiency: EMS, reduction targets
- Water management: facility-level or localized water withdrawal, availability and management
- Chemical safety: regulatory risks, e.g. EU REACH, policies, non-toxic alternatives
- Labour relations: disruptions, conflicts avoided through processes; e.g. regular staff engagement, training, development, staff participation in long-term share programs, freedom of association
- Health & safety: accidents (OSHA data), disruption avoided through EMS, training, processes
- Supply chain management: loss of reputation, disruption avoided through clear Health & Safety Executive (HSE) policies for suppliers, regular audits of supply chain, responsible procurement policies
- Corruption & bribery: fines, litigation, loss of reputation avoided through policies covering all subsidiaries, guidelines on facilitation payments, whistle-blower programs and protection

Following completion of the analysis, each company is categorized by the Head of Sustainability & ESG into one of the following:

- Excellent
- Good
- Average
- Fair
- Excluded

Companies categorized as 'Excluded' are not eligible for investment, while those categorised as 'Fair' have a cap for the maximum allowed weighting within a portfolio.

Research sources

The lead analysts of investee companies are responsible for conducting the proprietary ESG analysis under the supervision of the Head of Sustainability & Stewardship, an experienced member of the investment team dedicated to ESG research. Company ESG

characteristics are continually discussed between team members and ESG is a standing item on the weekly Investment Committee agenda. The Firms use the following research tools in support of the core proprietary bottom-up ESG research conducted in house:

- External specialist ESG research providers: MSCI ESG Manager (ESG and Controversy data), Sustainalytics (quarterly UN Global Compact Screen), Glass Lewis (Proxy voting and governance research).
- Databases: Bloomberg (ESG data, litigation and controversy data), CDP (CO2 data), ENDS Europe (environmental policy data).
- Sell-side analysis: CLSA (Asian sustainability and governance research), Jefferies ESG research, Morgan Stanley (ESG and sustainability research).

Ultimately, all companies have to be approved by the Investment Committee on both a financial and an ESG basis as part of the Firm's research and approval process.

ESG issues identified in the stock analysis, will be discussed with the investee companies, through an engagement process.

Listed Equity Methods of Analysis and Strategies

Top-Down Macro Analysis

The most attractive stocks are identified by the research intensive, bottom-up, stock picking process described in the previous section above which focuses on upside to target price. This bottom-up process is then complemented by a top-down macro-economic overlay to ensure that the Firms' research is also focused on the most promising regions and sectors.

The macro analysis is refreshed quarterly to uncover the most important macro-economic drivers including credit markets, government and consumer spending, monetary and fiscal policy announcements, industrial production and commodity prices, all of which can affect valuations. This analysis enables the portfolio managers to better anticipate the risks and opportunities that the (current stage of the) economic cycle might have on the thematic strategies' areas of focus.

Sell discipline

Upside sell discipline:

Each company within the portfolio is continually monitored within the context of a live "valuation range" which incorporates worst and best-case assumptions. When a company's share price moves through the fair value in the valuation range, towards the top of the range, the position size is reduced.

Downside sell discipline:

When a company's share price moves towards the bottom end of the "valuation range", the Firms review the company in light of any new information to determine whether or not the initial thesis was correct. At this point the stock will, by definition, represent a smaller proportion of the account and the outcome of the assessment will result in either a full sale of the position (where growth assumptions or the business model have changed, where confidence has been lost in management, where there are significant new ESG concerns or where governance concerns lead to greater caution) or, where conviction remains intact, more capital being allocated to that position.

Universe Creation and Development

As noted under Item 4, AIFM is integrated with IAM which has been developing a curated universe of environmental stocks since early 1999, with ideas sourced both through internal research of sector and geographical developments, as well as via a wide and deep network of contacts developed over a longer time period. The Impax investment universe represents the Firms' intellectual property, and it is managed internally through a robust process documented in the following few paragraphs.

The Impax equity universe is made up of thematic equities and "Lens-Focused" equities.

Thematic Equity Universe

The Impax thematic universe comprises Environmental Markets (EM), Water, Sustainable Food, Climate Opportunities and Sustainable Infrastructure companies worldwide.

Environmental Markets (Specialists, Leaders, Asia Strategies):

Inclusion in the 'Impax EM Universe' is contingent on the resource efficiency and environmental markets business comprising >20% of group revenue, profitability or invested capital, a hurdle rate that is analysed by the analyst responsible for the stock in his or her bottom-up assessment, and which is confirmed and documented by a member of the Listed Equity Team with a specific universe management role. As the environmental markets have expanded, there have been new universe entrants (IPOs, spinouts and companies identified by the team's detailed research), as well as companies leaving the universe due to both merger and acquisition activity, and due to the de-emphasis of environmental activity within business' portfolios as a whole. In-house analysis monitors such changes on an ongoing basis, with changes regularly communicated to the Listed Equity Team.

Water:

The Water universe is made up of three main categories: Water Infrastructure, Water Treatment and Water Utilities. Companies in the Water Universe are derived from the Environmental Technologies Universe and have some specific exposure to the water value chain. As well as several pure-play companies in the water sector, many multi-industry and electrical equipment companies also have a presence which they can leverage against the various end markets, geographies and technologies. Companies whose activities significantly, though not entirely, relate to the water sector make up an important component of the Water industry and are often among the leading providers of a key product or technology.

Sustainable Food:

The process of universe creation and development in the Sustainable Food strategy is broadly the same as the process used by the Specialists, Leaders, Water and Asia strategies. The Firms have developed a proprietary methodology to identify companies that operate in the sustainable food markets. The methodology, which encompasses 7 sectors and 17 subsectors, supports the analysts in quantifying and measuring sustainable food activities. Companies in the Sustainable Food universe must have a minimum of 20% of revenues, profits or invested capital coming from sustainable food activities, as defined by these 17 subsectors.

Climate Opportunities:

The Impax Climate Opportunities Universe is made of listed companies with a demonstrable exposure to products and services enabling mitigation of climate

change or adaptation to its consequences, across a diverse range of sub-sectors that are defined by our proprietary Climate Opportunities taxonomy.

Mitigation is focused on the reduction and prevention of greenhouse gases. Examples include renewable energy, energy and resource efficiency and sustainable and efficient agriculture.

Primary adaptation is focused on addressing the immediate impacts of climate change, such as stronger storms, rising sea levels, and extreme heat. Examples include hardening of energy network infrastructure and efforts to reduce impacts of flooding and storm water surges.

Secondary adaptation is focused on issues that arise from climate change, such as the need for healthcare solutions to address increased spread of vector-borne diseases, the need for business continuity solutions, as well as products and services to forecast and mitigate financial losses caused by extreme weather events.

Sustainable Infrastructure:

The Impax Sustainable Infrastructure Universe is made of listed companies that promote equity by enabling increased access to communications, finance, healthcare, employment opportunities and other basic needs as well as promote resilience through adaptation (e.g. climate change), mitigation (e.g. renewables, energy efficiency), decentralization (e.g. smart grid technology, cloud computing) and networks to meet basic needs (e.g. health care, education, etc.)

Sustainable infrastructure can be classified in two broad categories:

Resource Infrastructure: Assets and value-added inputs or components that enable or enhance assets, related to the provision or processing of energy, water, waste and materials, and food and agriculture.

Social & Economic Infrastructure: Assets and products and services that enable or enhance assets to meet basic needs, provide health care, and access to information and financial resources.

There are three types of infrastructure that span the categories of resource and social & economic infrastructure:

Direct/Physical Infrastructure: Structures, facilities, equipment, products, or services that optimize the use of resources, enable the movement of people and essential goods, and meet basic needs related to water and sanitation.

Network/Digital Infrastructure: Products or services that provide or improve fundamental systems or services to society, primarily for providing health care, facilitating the exchange of information, and accessing financial resources.

Indirect Infrastructure: Finished goods specifically or primarily intended to improve the efficiency and resilience of sustainable infrastructure assets or networks.

Impax “Lens-Focused” Equity Universe

Generally:

All primary listings of global securities with a market capitalisation above \$1bn are input and calibrated using a proprietary idea generation tool within the Firms’ Viper Analytics platform as follows:

- Each company is financial quality rated by a scoring algorithm. Factors used for this assessment include levels of liquidity, returns on invested capital (“ROIC”), leverage, EPS growth, ROIC stability and corporate controversies.
- All sectors are assessed in a Sustainability ‘Opportunities & Risks’ Framework, the Impax LENS, which prioritises a list of GICS sub-industries based on maximising the opportunities for providers of solutions to long-term sustainability challenges and minimising the long-term sustainability risks.

The portfolio team uses this idea generation tool to help source ideas for the portfolio. They allocate capital to companies with sustainable competitive advantages, with track records of consistent returns on investment, and which they believe do not currently reflect these financial characteristics and long-term opportunities in their share price.

Investment Style

The Firms’ thematic strategies adopt a bottom-up growth at a reasonable price (GARP) approach with a macroeconomic overlay.

The Firms’ unconstrained Global Opportunities strategy adopts a bottom-up quality at a reasonable approach (QARP) with a macroeconomic framework.

Stock selection

The Firms aim to generate outperformance over the long term by investing in the most attractive stocks identified by a research intensive, bottom-up, stock picking process. The bottom-up process is complemented by a top-down framework to ensure that research is focused on the most promising regions and sectors.

The investment team applies a revenue screen to ensure all potential portfolio companies meet the criteria for inclusion in the universe. This is followed by initial research by a lead analyst into the stock’s positioning for the transition to a more sustainable economy (TSE), financial performance and environmental, social and governance (ESG) rating. If it is decided that full research should be completed, the lead analyst completes the Firms’ proprietary ‘10-Step approach’ for the LE Stock Introduction Meeting which includes an in-depth ESG analysis and covers the following categories:

Company Snapshot & Investment Thesis

What are the company’s credentials that establish its role in the transition to a more sustainable economy? Why is an investment in the company an attractive opportunity?

Market

How is the market that the company operates in defined with respect to size, regulation, and growth? Describe the competitive landscape and the company’s position in the addressable market, together with customers and customer concentration, and suppliers?

Competitive Advantage

What unique technologies, brand strength, embedded intellectual property, scale and distribution capabilities exist that give the business a competitive edge?

Business Model and Strategy Analysis

Does the company have a sustainable competitive advantage? Are the company's plans credible? Are the financial returns satisfactory or is there a plan to improve these?

Risks

What are the perceived risks of investing in the context of the wider landscape (industry dynamics, policy, global macro factors and societal forces), from the perspective of different stakeholders and from the perspective of the company's supply chain and distribution capability?

ESG

Are the governance structures, such as board, remuneration and shareholder rights, strong? Does the company effectively manage its environmental, social and other risks? Has the company had any controversies and how were they handled? Does the company comply with the UN Global Compact principles? Has a WorldCheck sanctions report been run?

Management

How much experience does the current management team have and how effective have they been? Are there succession risks?

Valuation

Financial statement analysis leading to a medium-term fair value assessment of the company. Are the shares trading at a discount? How does the value compare to history and peers?

Trading

Which security has the liquidity, if more than one? Is there sufficient liquidity to establish an appropriate allocation within the portfolio?

Catalysts

What is the route map for a return on investment?

The approach to **valuation** includes an estimate of intrinsic value via the use of financial models integrated into the VIPER Analytics tool. These models apply a discount rate to future cash flows to evaluate whether a stock is likely to make a return that is higher than its cost of capital. The Firms regard any positive spread as economic value created for shareholders. In some circumstances a Monte Carlo technique is used to create a valuation range incorporating different scenarios around the fair-value assessment. Analysts also use other valuation methodologies, including "sum of the parts" models for businesses with cash flows from discrete or disparate businesses, and multiples analysis to deduce "through the cycle" earnings power for cyclical companies. The most commonly used multiples are EV/EBITDA, EV/EBIT, PE and EV/IC. In such cases, analysts construct the valuation range direct from a multiples-based approach or a sum-of-the-parts method.

Analysts prepare a summary paper covering the key qualitative and quantitative issues for peer review at the LE Stock Introduction Meeting. A minimum of four investment team members (including members of the Impax Investment Committee) meet to debate and challenge the research in more detail before the stock is introduced to the "A-list" of investable stocks. Stocks that have been introduced to the A-list at the LE Stock Promotion Meetings are reported at the Investment Committee to the whole Listed Equities team.

Private Equity Methods of Analysis and Strategies

AIFM's investment objective on behalf of its private equity clients is to achieve sustainable returns over the longer term through capital gains supplemented by project income by investing globally, but primarily in the EU. With respect to the private equity strategy AIFM seeks to invest in equity or equity-linked instruments, including, but not exclusively, ordinary shares, preference shares and preferred shares, subordinated convertible or warrant-bearing debt and other similar subordinated or equity-linked securities.

The private equity infrastructure investment strategy is based on investment into renewable energy projects primarily across Europe utilizing proven technology with experienced management teams. AIFM uses an "asset conversion" strategy for adding value that entails a mix of "buy-build-sell" (where AIFM deploys its in-house expertise to purchase assets which are in the permitting process or ready-to-build, and then manage construction, arrange financing, manage and optimize the operation of the assets and then exit) and "buy-fix-sell" models (where AIFM pursues an asset upgrade strategy, also targeting a capital gain at exit).

Investment Risk of Loss and Risks Associated with the Listed Equity Strategy

Investing in securities involves a risk of loss that clients and investors should be prepared to bear. Past performance is not necessarily indicative of future returns, and the value of investments may rise as well as fall. There is also a risk that investors may lose part or all of their investment. The Firms believe the professional and disciplined execution of their investment philosophy will generate sustainable investment returns for the Firms' clients. However, the cumulative effect of company specific risk and systemic risk of a domestic and/or global nature clearly imply that no investment is guaranteed. The Firms' clients invest with the full knowledge that loss of principal is a real risk.

Below is a summary of material risks associated with the listed equity strategy.

- **Equity Securities Risk.** The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing a client to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.
- **Market Risk.** Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of a client's investments. To the extent the Firms on behalf of a client take significant positions in one or more specific sectors, countries or regions, the client will be subject to the risks associated with such sector(s), country(ies) or region(s) to a greater extent than would be a more broadly diversified fund.
- **Derivatives Risk.** Derivatives are financial contracts whose values are derived from traditional securities, assets, reference rates or market indices. Derivatives involve special risks and may result in losses. Derivative strategies often involve leverage, which may exaggerate a loss, potentially causing a client to lose more money than it would have lost had it invested in the underlying security.

The values of derivatives may move in unexpected ways, especially in unusual market conditions, and may result in increased volatility. The use of derivatives also may increase the amount of taxes payable by shareholders. Other risks arise from the Firms' potential inability to terminate or sell derivative positions. A liquid secondary market may not always exist for a client's derivative positions at times when a client might wish to terminate or sell such positions. Over-the-counter instruments (investments not traded on an exchange) may

be illiquid, and transactions in derivatives traded in the over-the-counter market are subject to the risk that the other party will not meet its obligations. The use of derivatives also involves the risk of mispricing or improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying security, asset, reference rate or index. The Firms may not be able to find a suitable derivative transaction counterparty on behalf of client, and thus a client may be unable to invest in derivatives altogether.

- **Non-U.S. Securities Risk.** Non-U.S. securities may have less liquidity and more volatile prices than domestic securities, which can make it difficult for the Firms to sell such securities on behalf of a client at desired times or prices. Non-U.S. markets may differ from U.S. markets in material and adverse ways. For example, securities transaction expenses generally are higher, transaction settlement may be slower, recourse in the event of default may be more limited and taxes and currency exchange controls may limit amounts available for distribution to shareholders. Non-U.S. investments are also subject to the effects of local political, social, diplomatic or economic events.
- **Growth Securities Risk.** Growth securities typically trade at higher multiples of current earnings than other securities. Therefore, the values of growth securities may be more sensitive to changes in current or expected earnings than the values of other securities.
- **Value Securities Risk.** The Firms may invest on behalf of their clients in companies that may not be expected to experience significant earnings growth, but whose securities the Firms believe are selling at a price lower than their true value. Companies that issue value securities may have experienced adverse business developments or may be subject to special risks that have caused their securities to be out of favour. If the Firms' assessment of a company's prospects is wrong, or if the market does not recognize the value of the company, the price of its securities may decline or may not approach the value that the Firms anticipate.
- **Medium-Sized Capitalization Company Risk.** Securities of medium-sized companies may have less liquidity and more volatile prices than securities of larger companies, which can make it difficult for the Firms to sell such securities on behalf of their clients at desired times or prices.
- **Emerging Markets Risk.** Investments in emerging markets are likely to have greater exposure to the risks associated with investments in non-U.S. securities generally. Additionally, emerging market countries generally have less mature economies and less developed securities markets with more limited trading activity, are more heavily dependent on international trade and support, have a higher risk of currency devaluation, and may have more volatile inflation rates or longer periods of high inflation than more developed countries.
- **Small and Medium-Sized Capitalization Company Risk.** Securities of small- and medium-sized companies may have less liquidity and more volatile prices than securities of larger companies, which can make it difficult for the Firms to sell such securities on behalf of their clients at desired times or prices.
- **Financial Services Sector Risk.** Companies in the financial services sector are subject to the risk of regulatory change, decreased liquidity in credit markets and unstable interest rates. Such companies may have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that industry. Performance of such companies may be affected by competitive pressures and exposure to investments or agreements that, under certain circumstances, may lead to losses. Companies in the financial services sector are subject to extensive governmental regulation that may limit the amount and types of loans and

other financial commitments they can make, and interest rates and fees that they may charge. In addition, profitability of such companies is largely dependent upon the availability and the cost of capital.

- **Information Technology Sector Risk.** Prices of technology companies' securities historically have been more volatile than those of many other securities, especially over the short term. Technology companies are subject to significant competitive pressures, such as aggressive pricing of their products or services, new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments, evolving industry standards, changing customer demands and the potential for limited earnings and/or falling profit margins. The failure of a company to adapt to such changes could have a material adverse effect on the company's business, results of operations, and financial condition. Many technology companies have limited operating histories.
- **Asian/Pacific Investment Risk.** Certain Asia and Pacific region economies have experienced over-extension of credit, currency devaluations and restrictions, high unemployment, high inflation, decreased exports and economic recessions. Asia and Pacific region economies generally are dependent on the economies of Europe and the United States, especially with respect to agricultural products and natural resources. Political and social instability and deteriorating economic conditions may result in significant downturns and increased volatility in many Asia and Pacific region economies. Portions of the Asia and Pacific region have historically been prone to natural disasters such as tsunamis and droughts and the region is economically sensitive to environmental events. Any such event could have a significant adverse effect on Asia and Pacific region economies. The Australian and New Zealand economies, in particular, are dependent on exports from the agricultural and mining sectors, which make those economies particularly susceptible to fluctuations in the commodities markets. Australian and New Zealand economies are also increasingly dependent on their growing service industries. Economic events in any one country can have a significant economic effect on the entire Asia and Pacific region.
- **European Investment Risk.** The Economic and Monetary Union of the European Union ("EU") requires compliance with restrictions on inflation rates, deficits, interest rates, debt levels and fiscal and monetary controls, each of which may significantly affect EU member countries, as well as other European countries. Decreasing imports or exports, changes in governmental regulations on trade, changes in the exchange rate of the euro and recessions in EU economies may have a significant adverse effect on the economies of EU members and their trading partners, including non-member European countries. Additionally, eastern European markets remain relatively undeveloped and may be particularly sensitive to political and economic developments.
- **Pandemic Risk.** The outbreak of the novel COVID-19 or "coronavirus" (also known as novel coronavirus or coronavirus disease 2019) pandemic presents unique, rapidly changing and hard to quantify risks. The pandemic has prompted local, state and national governments across the globe to announce "social distancing" recommendations or orders, "shelter in place" mandates, quarantines, advisories, restrictions or outright prohibitions on travel to and from certain countries (and within countries) and prohibitions on certain business activities (other than "essential business activities," the definition of which is sometimes ambiguous and varies from jurisdiction to jurisdiction). Such government actions, coupled with the high level of public fear over the spread of the virus and growing concerns about the ability of local health systems to respond to the crisis, have resulted in a sudden and significant

decline in global and regional commercial activity. Although there is reason to believe that the COVID-19 outbreak may be contained over a reasonable period of time, there can be no assurance regarding how long it will take to reduce global infection rates and it is possible that, once the virus appears to have been contained and restrictions on social and commercial activities have been relaxed, there may be one or more future outbreaks that may be as serious, or potentially more serious, than the current outbreak. In the meantime, global equity, bond and credit markets have been, and will likely continue to be, significantly adversely affected.

- **Force Majeure.** “Force majeure” refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to the counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19. The companies in which the Firms invest on behalf of their clients may be parties to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or otherwise is a mixed factual and legal one, and companies may incur legal costs in disputes with counterparties regarding whether any such event has occurred. If a company were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of that company (and possibly the client) may be adversely affected.

Risks Associated with the Private Equity Strategy

Among others, AIFM’s strategy carries risks of:

- National legislation changes
- Sector risks
- Operational performance risk
- Price risk

The team monitors risk through detailed oversight of the operations of the projects and representation on the governing bodies together with the use of industry experts to assess and monitor performance. As with all private equity funds, the funds carry a high level of risk and are not suitable for retail investors.

Set out below are certain material risk factors associated with the investment strategies and types of investments relevant to most of the AIFM’s clients.

Below is a summary of material risks associated with the private equity strategy:

- **Private Equity Risk.** These are complex Instruments - private equity investments often involve complex investment vehicles and therefore may not be suitable for all clients or be appropriate for their circumstances. Investors are advised to view private equity exposure as a small percentage of their overall portfolio or as part of a fully diversified portfolio. Private equity investments have unique risks that should be understood prior to investing. These investments are often subject to lock-in periods (often 10 years or more) and therefore should be regarded as

longer term investments. It may be difficult to sell these investments at a reasonable price and, in some circumstances, it may be difficult to sell such investments at any price. It may also be difficult to assess a proper market price of such investments and limited valuation information results in limited marketability and transferability. investee companies or projects may be geared by loan facilities that rank ahead of the company's investment.

- **Bankruptcy of Investee Company.** The Firm may make investments in investee companies that may experience financial difficulties and become insolvent or file for bankruptcy protection. The laws of various countries relating to any bankruptcy proceedings could operate to the detriment of the investment. There is also a risk that a court may subordinate the investment to other creditors or require the applicable client to return amounts previously paid to it by an investee company that becomes insolvent or files for bankruptcy, a risk that could increase if the client has management rights in such investee company.
- **Reliance on the Management of Investee Companies.** Although it is the intention of the Firm to invest in companies whose management has shown a successful track record and to continue to provide oversight to such management, there can be no assurance that any investee company's existing or future management team will be able to operate successfully. Moreover, some companies will depend for their success on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses.
- **Non-Controlling Investments.** Notwithstanding intentions described herein, the Firm may cause a client to hold less than fifty percent (50%) of the outstanding voting interests of any investee company and, therefore, may have a limited ability to protect its investments in any such investee company, although as a condition of investment, the Firm may negotiate representation on the board of directors of each such investee company or appropriate minority shareholder and supervisory rights to protect the client's investments. There is no assurance, however, that such representation, if sought, will be obtained.
- **Investments in Unquoted Companies.** Investments in unquoted companies are intrinsically riskier than in quoted companies. Moreover, companies in which the Firm may invest on behalf of its clients may be small, vulnerable to changes in markets, regulation and technology and dependent on the skills and commitment of a small management team or of the Firm itself.
- **Lack of Diversification.** The Firm's investments on behalf of its clients may be made in companies for which a single asset (e.g., a power plant) comprises all or a significant proportion of its value. Accordingly, the investment's return will be based on that specific asset's performance. Risks of the individual assets would include, but are not limited to, construction risk, operating and commercial risk, catastrophic and force majeure risks, and the regulatory risk related to such assets. While supplier warranties may provide for certain equipment claims and owner protections, investments in sector projects depend on technologies that have risks of workmanship, installation and generation and catastrophic or degradation risk that cannot be ruled out.
- **No Operating History.** It is possible that some of the investments the Firm makes on behalf of its clients will experience financial or financing difficulties which may not be overcome during the holding period of the investment. Moreover, the Firm may make investments on behalf of its clients in projects or companies with short or no operating histories or in an early stage of development, which do not have a proven operating record, which may rely on a few key individuals, which may require additional capital to support their operations to finance expansion or to maintain their competitive or regulatory position, or which may otherwise be in a weak financial condition. Such investments may also face intense competition, including competition from companies with greater financial resources, more

extensive development, manufacturing, marketing and other capabilities, or a larger number of qualified managerial and technical personnel.

- **Leverage.** The investments the Firm makes on behalf of its clients may include companies and projects whose capital structures have significant bank and/or other corporate leverage and/or other obligations ranking ahead of the client's investment, including non-recourse secured project financing where leverage typically ranges from 65% - 85% of capital employed. The leveraged capital structure of such investments may increase their exposure to adverse project operation scenarios (damage, underperformance of production, etc.) or economic factors (rising interest rates, downturns in the economy, etc.) or other causes of deterioration in the condition of the investments or such investment's industry with adverse consequences to equity value, the client and its investors, particularly in view of the client's position within the capital structure. The client may be restricted in the exercise of its rights in respect of its investments by the terms of subordination agreed between it and the debt ranking ahead of the client's investments. Accordingly, the client may not be able to take the steps necessary to protect its investments in a timely manner or at all. Additionally, To the extent that an investee company has a leveraged capital structure, such investee company may be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a downturn in the economy or a deterioration in the condition of such investee company or its industry. In the event that such investee company is unable to generate sufficient cash flow to timely meet principal and interest payments on its indebtedness, the value of the client's investment in such investee company could be significantly reduced or even eliminated. As described above, lenders would typically have a claim that has priority over any claim by the client in such investee company in an insolvency event or proceeding.
- **Political, Regulatory, Tariff and Permitting Risk.** Investments by the Firm on behalf of its clients will often be in economic sectors that are subject to or reliant upon regulation by national governments and political subdivisions thereof. Certain regulations may require the clients to incur substantial additional costs or lengthy delays in connection with an investment. In addition, governmental regulations are not predictable and the profitability of an investment may be subject to political, economic, social and/or market developments.
- **Contingent Liabilities on Disposition of Investments:** In connection with the disposition of an investment in an investee company, the Firm may be required to make representations on behalf of its clients about the business and financial affairs of such company typical of those made in connection with the sale of a business or may be responsible for the contents of disclosure documents or specific warranties under contractual agreement or applicable securities laws. The client also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate or misleading. These arrangements may result in the incurrence of contingent liabilities for which the client may establish reserves or escrow accounts, or undertake other risk mitigation provisions at some cost. In addition, Investors in a fund client may be required to return amounts distributed to them to pay for the fund's indemnity obligations.
- **Exchange Rate Risk.** Performance may also be affected by currency fluctuations.
- **Illiquidity Risk.** Investments in small companies made by AIFM on behalf of its clients will be highly illiquid as some of the underlying securities may be non-realizable. Funds that hold illiquid unlisted investments may experience more volatility. There is likely to be a less active secondary market for the shares of the investee companies. Even for a successful investment, any return at fund level may be unlikely to occur for a number of years from the time an investment is made. In terms of overall suitability, such funds should only be a component of

a balanced portfolio. The investment opportunities offered by the Firm's funds and strategies are for those willing to commit to medium/long-term investment horizons.

- **Diversification Risk.** Investing in the funds or strategies should only be done as part of a diversified portfolio. It also means that investors should only invest a smaller proportion of their capital in specialist asset classes with the majority of their investable capital invested in safer, more liquid assets.
- **Emerging Markets Risk.** Prospective investors should be aware, in particular, of the risks of investing in investments in small and emerging markets which can be more volatile and less marketable than those in more developed markets. Investors should also consider carefully whether such investments are suitable for them and, if so, how substantial a part of their portfolio such investments should be.
- **The LP Committee.** Although any LP Committees are intended to act as the representative of the investors, the LP Committee may not have the same interests as all investors and may have interests that conflict with those of other investors. Furthermore, the LP Committee cannot be expected to have expertise in private equity investing in the sector, and certain of its determinations may, in fact, adversely affect the performance of the client.
- **Pandemic Risk.** The recent outbreak of the novel COVID-19 or "coronavirus" (also known as novel coronavirus or coronavirus disease 2019) pandemic presents unique, rapidly changing and hard to quantify risks. The pandemic has prompted local, state and national governments across the globe to announce "social distancing" recommendations or orders, "shelter in place" mandates, quarantines, advisories, restrictions or outright prohibitions on travel to and from certain countries (and within countries) and prohibitions on certain business activities (other than "essential business activities," the definition of which is sometimes ambiguous and varies from jurisdiction to jurisdiction). Such government actions, coupled with the high level of public fear over the spread of the virus and growing concerns about the ability of local health systems to respond to the crisis, have resulted in a sudden and significant decline in global and regional commercial activity. Although there is reason to believe that the COVID-19 outbreak may be contained over a reasonable period of time, there can be no assurance regarding how long it will take to reduce global infection rates and it is possible that, once the virus appears to have been contained and restrictions on social and commercial activities have been relaxed, there may be one or more future outbreaks that may be as serious, or potentially more serious, than the current outbreak. In the meantime, global equity, bond and credit markets have been, and will likely continue to be, significantly adversely affected.
- **Force Majeure.** "Force majeure" refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to the counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19. The investee companies in which the Firm invests on behalf of its clients may be parties to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or otherwise is a mixed factual and legal one, and investee companies may incur legal costs in disputes with counterparties regarding whether any such event has occurred. If an investee

company were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of that company (and possibly the client) may be adversely affected.

Management of Investment Risk

Investment risk, as an important component of the overall firm-level risk, is "managed" daily by the portfolio managers, but the risk management process is overseen by the Head of Investment Risk & Process.

Investment risk management is a standing agenda item at the Investment Committee meeting, held twice every month.

Impax has been developing investment architecture (the "Impax Portal") for the Listed Equity team that helps cater to our management of investment risk. The "Impax Portal" is a web-based portfolio management application and SQL database utilising Microsoft Azure and Bloomberg AIM Services. The product has been developed in-house to organise our custom data and provide services to our portfolio managers, risk managers and analysts.

Specifically, the "Impax Portal" includes tools that:

- House all our internally generated company level data, controlled via SQL code
- House a front-end, company level analysis generated by our investment team for our investments ("Security Hub")
- Enable the management of accounts within a strategy using a model portfolio management approach ("MPM Hub")
- Run daily portfolio analytics for the accounts in the form of a PRM risk report ("PRM Hub") for the portfolio teams to monitor the "shape" of their exposures relative to the reference index(s). Furthermore, our portfolio teams meet formally every week/fortnight at the PRM meetings which provide further opportunity to dive deeper into the levels of portfolio exposures, concentrations, stock valuation upside/downside potential, emerging ESG issues at both company level or the wider landscape and broader market considerations.
- Monitor daily top-down risk ("IC Hub") via key investment risk metrics across the LE investment platform

The "IC Hub" monitors:

- Securities that are moving high (or low) in the valuation barometer range
- Soft limit breaches on PRM (defined below) reports
- Security downside alerts
- ESG security alerts
- Idea pipeline
- Liquidity, including stress testing
- Capacity
- Turnover
- Overlap across strategies
- Portfolio key metric charts that show evolution through time of certain metrics
- Portfolio level characteristics covering valuation, earnings growth and returns on capital
- Portfolio risk model analysis
- Portfolio exposures by GICS, region, economic sensitivity, end-market, financial quality rating & currency
- Portfolio level total return decomposition, including delivered earnings growth
- Firm-wide top holdings by free-float, issued capital and USD invested

The sources of data that these reports are constructed from includes Bloomberg AIM, Bloomberg PORT, Sustainalytics, Credit Suisse HOLT, MSCI, FTSE and the “Impax Portal”. Weekly portfolio review meetings (PRM) provide further opportunity to dive deeper into the levels of portfolio exposures, both in absolute terms and relative to benchmark, stock valuation upside/downside potential, emerging ESG issues at both company level or the wider landscape and broader market considerations.

Pre-trade Process

Portfolio construction and order generation are the responsibility of the portfolio managers. After the portfolio managers have submitted an order, the trading desk executes the trade with discretion. The trade then moves to the Middle Office, where it is matched via the Firms’ Central Trade Manager system (“CTM”) and automatically processed using Straight Through Processing (“STP”). The Firms use Bloomberg AIM for pre- and post-trade compliance and order management.

The Firms operate in a fully STP environment, where possible, thereby minimising the risk of human error. The Middle Office uses the CTM for trade matching and Swift notification (via Settlement Notification) to transmit pre-matched trade information to custodians to significantly reduce the risk of trade failure. The Middle Office manages all trade failures using Bloomberg’s Fail Station.

Post-trade reconciliation

The Firms’ trading desk executes trades through Bloomberg EMSX further to which these trades are confirmed with the executing counterparty using the CTM.

Trading errors

A trade error occurs when the centralised trading desk or, in specific circumstances, a portfolio manager, does something in respect to trading that they did not intend to do.

The Firms record all trading incidents in line with its Global Incident Management Procedure.

The Firms recognise that clients should not be disadvantaged due to a trading error and will swiftly respond as soon as one is detected. The Firms uphold clients’ interests by ensuring a thorough analysis of the trading error along with the adoption of suitable measures to ensure that the clients’ portfolios are returned to their intended position. The Firms ensure that any remedial measures are actioned in a timely manner, including monetary compensation if applicable. Risk will independently review each incident report and will provide feedback. Risk will consult with Compliance if there is a potential regulatory impact.

Item 9. Disciplinary Information

The Firms have no legal, regulatory or disciplinary events that are material to a client’s or prospective client’s evaluation of the Firms or their management.

Item 10. Other Financial Industry Activities and Affiliations

The Firms and their employees are not registered, nor do they have an application pending to register, as a broker/dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

The Firms have a number of affiliated investment advisers. All are subject to appropriate information barriers and a Global Trading Policy that addresses certain conflicts of interest, including the allocation of investment opportunities. Arrangements with related persons that are material to the Firms' advisory business are as follows:

- Impax has helped to seed funds managed by the Firms:
 - Impax is a limited partner in Impax New Energy Investors II LP, a fund investing in projects in the renewable energy and related sectors. Impax has committed to invest up to Euro 3.298m into the fund.
 - Impax is a limited partner in Impax New Energy Investors III LP, a fund investing in projects in the renewable energy and related sectors. Impax has committed to invest up to Euro 4.0m into the fund.
 - As a limited partner of the carried interest vehicle, Impax receives carried interest if payable.
- Impax has also made investments in, and subsequently redeemed such investments from, other funds managed by the Firms. These investments are fully disclosed in the accounts of Impax.
- IAM acts as an investment manager to Impax New Energy Investors IV LP SCSp, and AIFM acts as investment manager to Impax New Energy Investors II LP and Impax New Energy Investors III LP.
- Impax Asset Management (Hong Kong) Limited ("Impax HK"), a wholly owned subsidiary of Impax, is registered with the Securities and Futures Commission of Hong Kong. Impax HK provides investment services to the Firms and certain funds managed by the Firms. The Firms pay a fee for these services. No material conflict of interest is considered to exist in respect of the arrangement.
- Impax Asset Management Ireland Ltd., a wholly owned subsidiary of Impax, was incorporated and registered with the Central Bank of Ireland as an asset management company, in order to facilitate the Group's continued operations into the EU.
- Impax Asset Management LLC ("Impax LLC"), a wholly owned subsidiary of Impax, is registered with the SEC and is the investment manager to the Impax Funds. IAM acts as a Sub-Adviser to certain funds managed by Impax LLC. IAM has full investment discretion and makes all determinations with respect to the investment of each sub advised fund's assets, subject to the general supervision of Impax LLC and the Board of Trustees of the relevant Impax fund. Impax LLC (and not the Impax Funds) pays a portion of the advisory fees it receives to IAM in return for its services.
 - Impax has invested \$2.0m in the Global Women's Select Strategy.
- Certain marketing personnel of Impax LLC are also registered representatives of Foreside Financial Services, LLC., ("Foreside") a SEC registered broker-dealer (8-68027), for the sole purpose of marketing the Impax funds including, the Impax Funds. Under FINRA rules, Foreside has regulatory and supervisory obligations and oversight over the Impax Funds related marketing activities of these employees. It should be noted that no commissions or additional compensation is paid directly or indirectly to these employees for the sale of the Impax Funds. No material conflict of interest is considered to exist in respect of the arrangement.

- Additionally, AIFM is affiliated with the general partners to each of the funds it advises. These general partners include: Impax Global Resource Optimization (GP) Limited, Impax Global Opportunities (GP) Limited, INEI II GP (UK) LLP and INEI III GP (UK) LLP. IAM is also affiliated with INEI I GP (UK) LLP and INEI IV GP (UK) LLP.

No material conflict of interest is considered to exist in respect of these arrangements.

Item 11. Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

Code of Ethics

The Firms place the utmost importance on client trust and their fiduciary responsibilities to clients in all aspects of the business. The Firms have adopted a Code of Ethics (the “Code”) that complies with SEC Rule 204A-1 under the Investment Advisers Act of 1940 (the “Advisers Act”).

Standards of Business Conduct and Compliance with Federal Securities Laws

The Code sets forth standards of business conduct for the Firms and their “Supervised Persons” (e.g., employees, contractors (short and long-term), consultants, interns and any other persons so designated by the Firms’ Chief Compliance Officer). The Code is based on the principle that the Firms and their Supervised Persons have a fiduciary duty to act in the best interests of the Firms’ clients.

Supervised Persons must comply with federal securities laws, acknowledge that they have read and understand the Code upon employment and at least annually thereafter and report any violations of the Code to Compliance.

Pre-clearance Requirements for Personal Trading by Access Persons

The Firms deem all Supervised Persons to be “Access Persons” for purposes of the Code. Access Persons must obtain clearance from the Chief Compliance Officer or his delegate prior to effecting any securities transaction, other than those specifically exempted by the Code, in which they, their families (including spouse (or spousal equivalent), minor children and adults living in the same household), or trust of which they are trustees or in which they have a beneficial interest, are parties. This includes a specific requirement for Access Persons to obtain clearance prior to directly or indirectly acquiring any beneficial interest in securities in an initial public offering or in a private placement.

Reporting Requirements for Access Persons

Each Access Person of the Firms and his/her family members (including spouse (or spousal equivalent), minor children, and adults living in the same household) will submit to the Chief Compliance Officer periodic report regarding accounts, securities held and transactions in securities owned of record and beneficially held.

Copies of the Code Available

A copy of the Code is available to any client or prospective client on request to John Boese at (603) 431-8022 or by writing to John Boese, Impax Asset Management, 30 Penhallow Street, Suite 400, Portsmouth, NH 03801.

Participation or Interest in Client Transactions and Conflicts of Interest

The Firms do not invest in securities for their own accounts. The Firms' personnel can trade in securities for their own accounts, including securities that the Firms have purchased and sold, or recommended for purchase and sale, for clients *provided however*, that Access Persons are required to obtain clearance in advance for trading in securities as described above. Clearance to trade will generally not be granted if any of the Firms' clients traded or intend to trade within a 24-hour period (or more) before or after clearance is requested.

Participation or interest in client transactions is further detailed above in Item 10. The Firms have a Global Conflict of Interest Policy which applies to conflicts of interest that may give rise to a material risk to the interests of any client. The Firms conduct their business according to the principle that they must manage conflicts of interest fairly, both between themselves and a client, and between one client and another.

In identifying conflicts of interest, the Firms consider the factual circumstances and will take into account whether they are likely to:

- make a financial gain, or avoid a financial loss, at the expense of the client or clients;
- have an interest in the outcome of a service provided to the client, or the outcome of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- have a financial or other incentive to favour the interest of one client or group of clients over the interests of another client or group of clients;
- carry on the same business as the client;
- receive, from a person other than the client, an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service; or
- if proceeding with the conflict of interest is in violation of law applicable to the Firms or governing documents or is otherwise prohibited.

The Firms' policy is to take all reasonable steps to maintain and operate effective organizational, procedural and administrative arrangements to identify and manage conflicts. The Firms have in place procedures that address the identification and management of actual and potential conflicts of interest that may arise in the course of the Firms' business. The Firms are required to manage any conflict of interest which arises promptly and fairly.

Principal and Cross Transactions

The Firms do not engage in principal transactions whereby the Firms trade portfolio securities directly with a client account.

To the extent permitted by, and in compliance with, applicable law and any applicable governing documents, the Firms may effect a "cross transaction" between their client accounts in which one client will purchase a security held by another client. The Firms may enter into a cross transaction for rebalancing purposes, where a particular client needs liquidity, to reduce or eliminate transaction costs or market impact, or otherwise. The Firm will enter into cross transactions only when the transactions are consistent with the best interests of both clients and at a price that the Firm believes constitutes best execution for the clients. The Firms do not receive any commission or other compensation in connection with these transactions and will always execute these transactions on a trading venue. The Firms place the utmost importance on client trust and their fiduciary responsibilities to clients in all aspects of the business.

Item 12. Brokerage Practices

Clients' Interests

As a fiduciary, the Firms have to act in accordance with the best interests of their clients and seek best execution when placing orders with brokers for execution that result from decisions by the Firms to deal in financial instruments on behalf of our clients and funds and to take all sufficient steps to seek the best possible result for their clients and funds when directly executing orders with an execution venue on behalf of their clients. The Firms will always execute client orders acting as agent.

Best execution requires the Firms to execute transactions for clients in such a manner that is the most favorable under the circumstances, taking into account all relevant factors. The best price, while very important, is not the only consideration. We seek best execution for all our funds, regardless of whether commissions are charged.

Broker Selection

The Firms will select the execution broker that in their judgement is the most appropriate, taking into account the execution factors and execution criteria. The trading desk will only execute with approved counterparties with whom the Firms have confidence in the confirmations and settlements process of the market and particular counterparty.

The Firms continuously monitor and evaluate the performance and execution capabilities of brokers that transact orders for our clients to ensure consistent quality executions. This information is reported to the Firms' Global Best Execution Committee, which oversee broker-selection issues.

Execution Factors

When executing orders, the Firms will take all sufficient steps to achieve best execution, subject to and taking into account, any specific instructions from the client, the nature of such orders, the priorities its clients' place upon it in filling those orders and the nature of the markets and products in question.

In order to deliver best execution, the Firms use knowledge, experience and judgement to execute trades on behalf of its clients taking into consideration a number of execution factors including:

- The price that the order can be executed at;
- The costs of execution of the transaction to the client;
- The speed of execution of the transaction;
- The size and nature of the order;
- The current liquidity of the relevant security;
- The likelihood of achieving execution and settlement;
- Any other consideration relevant to the execution of the specific order (the "Execution Factors").

Execution Criteria

The Firms are required to determine the relative importance of the Execution Factors for its clients by taking into account the following criteria:

- The characteristics of the client, including the categorisation of the client;
- The characteristics and nature of the client order;
- The characteristics of the financial instruments that are the subject of that order; and
- The characteristics of the execution venues/brokers to which that order can be directed (the Execution Criteria”).

In considering the Execution Criteria and the importance of the Execution Factors, the Firms also take into account the client’s understanding and experience of the market in question, the client’s dealing profile, the nature of the dealing service the client requires, and the specific and general instructions given to the Firms by the client which may prioritise how the Firm fills client orders.

Aggregation and Allocation of Orders

Impax will aggregate client orders when it is in the clients’ best interests (which will not work to the disadvantage if each client). Impax discloses either orally or in writing that the effect of aggregation may work on some occasions to its disadvantage. No account will be systematically damaged over time.

Orders will be aggregated in order to facilitate best execution in a manner intended to help ensure no participating client is favoured over any other client on average over time. Aggregated orders should receive the same average price and transactions costs on execution¹.

In situations where two orders for the same security are entered into the same direction for different clients, the trader will generally aggregate the initial order with the subsequent order.

Impax’s trade allocation standard requires transactions to be allocated fairly among portfolios. Trade allocation must be determined on a basis that is fair, reasonable and equitable to all clients based on Impax’s policies and client investment objectives and to avoid giving unfair preference to one client or a group of clients over another.

Impax promptly allocates part or all of an aggregated order that has been filled in accordance with local regulatory requirements.

Impax will not give preference to one client or group of clients over another and will ensure fair allocation occurs. This principle will also apply when purchasing less liquid stocks.

Reallocations should reflect the original intention and must be carried out prior to settlement unless in exceptional circumstances. Any errors in allocation will be promptly corrected so as to not benefit any one client above another.

Reallocations are not permitted from one account to another except where:

- The initial allocation was erroneous; or
- Where the order is only partially executed resulted in an uneconomic allocation to some clients

¹ Strict average pricing may be relaxed where market conventions prevent this from practically being executed.

Reallocations require sign off by Investment Compliance and trading should ensure documentary evidence of the reallocation is maintained.

A reallocation should be:

- At the price paid for each designated investment concerned (net of all relevant fees and commissions); or
- Priced at the volume weighted average price of a series of transactions

Brokerage and Eligible Research Services

The Firms negotiate specifics around payment for research services with their clients, but overall believe that, in aggregate, the services it receives benefits clients and assists in fulfilling its overall fiduciary duty to clients. The Firms determine in good faith that the amount of the commission is reasonable in relation to the value of such services. Client commissions utilized to pay for brokerage and research often are referred to as “soft dollars.” The Firms act in the best interest of their clients and ensure that any conflict of interest arising are adequately managed and mitigated.

The Firms do not receive research paid for with soft dollars as research and execution services are “unbundled”, managed separately and independently. The Firms are required to make explicit payments for any third-party research consumed and demonstrate that research contributes to better investment decisions and is therefore not an inducement. The Firms use a Research Payment Account (“RPA”) through which all research collections and payments must flow. Third party research providers are paid for eligible research services that have assisted the portfolio managers in investment decisions for client portfolios directly from the RPA. The Firms only pay for research that supports the portfolio managers’ investment decision making responsibilities. This process enables the Firms to accurately track expenditure on research services and identify the best providers of the research services the Firms receive.

The quality of all research received is analyzed by the portfolio managers and the Firms’ research teams as part of the Firms’ investment process. Impax use a research platform and commission manager to assist with the process, including commission collection, budgeting, evaluation and provider payments. This process enables the Firms to accurately track expenditure on research services and identify the best providers of the research services the Firms receive.

The External Research Oversight Committee approves the annual budget, monitors any regulatory impact and meets quarterly to oversee the quarterly evaluation process.

Wrap Fee Programs and Communication of Model Portfolio Holdings

As previously noted in Item 4, IAM participates in Wrap Fee Programs. Additionally, IAM delivers model securities portfolios to Model Recipients. In most cases, IAM delivers the model to the Model Recipient who then handles trading on behalf of the clients, however IAM may execute orders for some Wrap Fee Program accounts. From time to time, IAM’s Wrap Fee account clients and Model Recipients may trade the same securities at the same time. In these circumstances, IAM will use a methodology to deliver model holdings to Model Recipients and effect trading on behalf of its other clients, including Wrap Fee Program accounts, that it believes to be fair and equitable. Normally, this methodology will place Wrap Fee Program accounts and Model Recipients and their clients under a simultaneous trading program. To achieve this, the Firm will provide trade instructions to all accounts on a simultaneous basis. This process of simultaneous notification is designed

to avoid systematically favoring one account or group of accounts over another. From time to time, IAM may use another methodology that it believes to be fair and equitable.

Typical Account Groups:

Discretionary clients generally have the following characteristics:

- The Firm has full discretion to trade securities that are consistent with the investment strategy and limitations on a client's behalf

Non-discretionary clients generally **manage the implementation and execution of portfolio ideas without the involvement** of Impax and have the following characteristics:

- Advisory - typically institutional clients who implement the trade recommendations sent by Impax.
- Model delivery - when Impax transmits periodic (example: upon model change, or monthly) security weightings or buy and sell instructions to a client, which typically is another investment adviser. There are various methods of delivery of the models, including email, SFTP or direct entry to their investment platform. The platform or recipient then has complete discretion to execute trades on behalf of its underlying investors, considering any client restrictions.

Trade recommendations and model portfolios are delivered simultaneously to discretionary and non-discretionary clients following PM adjustment sign off in MPM.

The Firm's approach to providing simultaneous trade instructions will remain consistent.

Impax utilizes pre-determined capacity limits on eligible strategies, and strategy capacity is subject to regular review. Impax also conducts Transaction Cost Analysis ("TCA") to assess and avoid the trading conflict that may arise as a result of Impax's discretionary and non-discretionary business.

IAM may seek to aggregate trades among wrap programs that allow "step out" trades to be executed. These trades may be further aggregated with trades that the Firm is effecting on behalf of other discretionary accounts. There will, from time to time, be circumstances that cause a particular wrap sponsor or Model Recipient to not be able to receive trade instructions in accordance with the above process (depending on a variety of factors), but the Firm will ensure the method is appropriate under the circumstances and such alternative trading is fair and equitable.

Because of the mechanics of the simultaneous process and other factors, trading for the IAM's institutional and other discretionary accounts may be completed prior to the completion of all trades for wrap accounts and may be effected at the same time as trades are being executed for wrap accounts and Model Recipients. As a consequence, trading by or for a Model Recipient or wrap program client may be subject to price movements, particularly with large orders or where the securities are thinly traded, which may result in Model Recipients or wrap program clients receiving prices that are less favorable than the prices obtained by the Firm for its discretionary client accounts or other accounts managed by the Firm. As such, the Firm's institutional or other discretionary accounts may, over time, obtain better execution, including more favorable prices for their transactions than wrap accounts or Model Recipients purchasing or selling the same securities.

Alternatively, the same factors may result in wrap clients or Model Recipients completing trading before or at the same time as the Firm's trading on behalf of institutional or other discretionary accounts. The Firm considers the delivery of a model to a Model Recipient, or communication of trading instructions to a wrap program client as simultaneous notification. In some cases, the wrap accounts or Model Recipients may obtain better execution because the Firm does not control a Model Recipient's execution of transactions, and the Firm cannot control the market impact of such transactions.

Item 13. Review of Accounts

The portfolio managers are generally responsible for the daily management and review of the institutional client accounts and funds under their supervision. Such reviews are likely to include a number of factors, including compliance with client investment objectives and guidelines, asset allocation and variance from target allocation, performance, valuation and current investment processes. These reviews are conducted regularly but can also be triggered by factors that may include changes in market conditions, strategy or investment objectives.

Clients receive regular monthly or periodic reports and these reports include investment performance, investment strategy, and market outlook and portfolio holdings.

Item 14. Client Referrals and Other Compensation

The Firms do not receive compensation from third parties for advisory services to clients.

The Firms can engage one or more persons to act as agent for a fund in connection with the offer and sale of interests to prospective investors, subject to compliance with applicable law. Fees payable will be negotiated individually between the Firms and the agent.

Item 15. Custody

IAM does not accept "custody" within the meaning of Rule 206(4)-2 of the Advisers Act (the "Custody Rule") of its clients' assets. If, in the future, IAM accepts a private fund client where the general partner is IAM's related person, IAM will have custody regarding the assets of that fund client and will follow the procedures described below for AIFM.

AIFM has "custody" within the meaning of the Custody Rule of the assets of the private funds it manages because the Firm is under common control with the general partner of each such fund and each general partner has access to the assets of the applicable private fund's assets. AIFM complies with the Custody Rule regarding each such fund by preparing and providing audited financial statements to the private fund investors on an annual basis.

Item 16. Investment Discretion

In accordance with the rules of the FCA, the Firms have signed investment management agreements for all clients before undertaking any discretionary management services for clients. This agreement is negotiated with each client and clearly states, inter alia:

- the categorization of the client
- the services to be provided
- the limits on the discretion to be exercised by the firm
- specific investment guidelines for that client

- reporting requirements
- fees payable
- termination provisions

The investment guidelines are monitored pre and post trade by the Compliance department using the order management system compliance tools.

Item 17. Voting Client Securities

The Firms have authority for voting client securities on behalf of the funds relating to the portfolio companies in which they invest. Fund investors are not able to direct how the Firms will vote the applicable fund's proxies.

The Firms also vote proxies on behalf of other clients that have granted us their voting rights. Clients who have granted their voting rights to the Firms understand the Firms' voting approach and have agreed to follow it. Clients who choose to vote according to their own voting policies, have retained their voting rights.

The Firms aim to enhance the long-term value of their clients' shareholdings and to foster corporate governance best practices, hence proxy voting is a key component in the on-going dialogue with companies in which the Firms invest on their clients' behalf.

The Firms follow voting guidelines and policies and company-specific analysis in deciding how to vote on resolutions. Where applicable, the Firms use a research tool and a platform for proxy voting; it provides the Firms with governance research and voting recommendations based on publicly disclosed best practice governance policies. The Firms also may use the research of an advisory proxy voting research firm which provides proxy analysis but ultimately the Firms decide how to vote on the resolutions independently and in the best interests of the clients.

The Firms generally vote on all shares.

In voting proxies, the Firms will seek to avoid material conflicts of interest between their interests on the one hand, and the interests of the client on the other. If a Firm detects a material conflict of interest in connection with a proxy solicitation, the investment committee will consider the vote, discuss the perceived conflict of interest with the Chief Compliance Officer, and decide how to vote the proxy. In all instances, the Firms will record the decision and then proceed accordingly.

The Firms have a Proxy Voting Policy publicly available on their website and further proxy voting and stewardship information can be found in a publicly available document (the UK Stewardship Code Statement) which discloses on a quarterly basis the summary results of their proxy voting activities and on an annual basis detailed proxy voting outcomes. Proxy voting is conducted following set and publicly disclosed guidelines and policies which remove any influence of specific clients and generally prevents conflicts of interests. Upon request, each Firm will provide clients with their proxy voting policy and information about how the proxies relevant to the client are voted.

Item 18. Financial Information

The Firms do not have any financial impairment that could affect the Firms' ability to meet all contractual commitments to clients and complies with all financial regulations and liquidity requirements of the rules of the FCA.