



Impax Asset Management Group Plc (the “Company”)

Corporate Governance

THE QUOTED COMPANY ALLIANCE (QCA) CODE

As Chair, I am responsible for leading the Board in order to ensure that Impax Asset Management Group plc and its subsidiaries (together the “Group”) has in place the strategy, people, governance structure and culture to deliver value to shareholders and other stakeholders of the Group, as a whole, over the medium to long term.

The Directors recognise the importance of good corporate governance and have chosen to apply the Quoted Companies Alliance Corporate Governance Code (the ‘QCA Code’). The QCA Code was developed in consultation with a number of significant institutional small company investors, as a corporate governance code applicable to AIM companies. The underlying principle of the QCA Code is that “the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term”.

We have set out in what follows how the Company addresses the key governance principles defined in the QCA Code. Further information on compliance with the QCA Code is provided in our annual report, which is available on the Company’s website. Where our practices depart from the expectations of the QCA Code, we will clearly highlight these and give an explanation as to why it is appropriate for the Group to depart from the QCA Code. We will continue to monitor how the QCA Code is interpreted in practice to ensure we address its important principles.

Sally Bridgeland, Chair

This disclosure was last reviewed and updated on 8 February 2023

THE PRINCIPLES OF THE QUOTED COMPANY ALLIANCE (QCA) CODE

DELIVER GROWTH

QCA Code Principle	Application (as set out by QCA)	Our approach
<p>1. Establish a strategy and business model which promote long-term value for shareholders</p>	<p>The board must be able to express a shared view of the company’s purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.</p>	<p>The Group’s strategy is explained within the Strategic Report section on pages 80 - 85 and also within our TCFD Report on pages 60 - 62 of our Report and Accounts for the year ended 30 September 2022, which is available on the Company’s website.</p> <p>Our business model is focused on our strategic priorities which are as follows:</p> <ul style="list-style-type: none"> • Deliver superior, risk adjusted investment returns; • Optimise existing & selectively launch new strategies; • Widen & deepen distribution channels; • Enhance client experience beyond investment returns; • Attract & develop an outstanding team; • Increase operational scalability & efficiency; • Build insights & advocacy around the transition to a more sustainable economy; and • Deliver excellent financials & sustainable stakeholder value. <p>The key challenges to the long-term future of the business and how these are managed is detailed within the Strategic Report section on pages 76 - 79 of our Report and Accounts for the year ended 30 September 2022.</p> <p>A summary of the Group’s values is detailed within the Strategic Report: on pages 6 - 7 of our Report and Accounts for the year ended 30 September 2022.</p>
<p>2. Seek to understand and meet shareholder needs and expectations</p>	<p>Directors must develop a good understanding of the needs and expectations of all elements of the company’s shareholder base.</p>	<p>The Company is committed to full disclosure and clear communications with its shareholders. To this end the Company reports formally to shareholders at the half-year and year end and engages with them through formal meetings, informal communications and stock exchange announcements.</p>

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	<p>The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.</p>	<p>At the Annual General Meeting of the Company a presentation is usually given, and Directors are available to take questions, both formally during the meeting and informally after the meeting. The Board recognises the Annual General Meeting as an important opportunity to meet private shareholders and continues to work closely with our brokers, Peel Hunt and Berenberg, to maintain contact with institutional investors. In parallel, we have engaged with other groups, particularly Equity Development, ShareSoc, Mello Events and Shares / AJ Bell to support our interaction with private investors.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times. Management (typically the Chief Executive and Chief Financial Officer) meet formally with institutional shareholders, usually after the interim and final results announcements, presenting Company results, articulating strategy and updating shareholders on progress and hold webinars and attend investor forums for private investors.</p> <p>Further information is also available within the Investor Relations section of our website (https://impaxam.com/investor-relations/).</p> <p>The Company is committed to full disclosure and clear communications with both its institutional and private investors and responds promptly to queries received. To this end the Company reports formally to shareholders at the half-year and year end and engages with them through formal meetings, informal communications and stock exchange announcements. Where voting decisions are not in line with the Company's expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters. The Chair has engaged with institutional shareholders and advisers to discuss improvements to the disclosures in its Remuneration Report and has subsequently included increased disclosure of the Company's variable remuneration structure and outcomes in our Report and Accounts for the year ended 30 September 2022 on pages 108 to 117.</p>

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<p>3. Take into account wider stakeholder and social responsibilities and their implications for long-term success</p>	<p>Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.</p> <p>Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.</p> <p>Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.</p>	<p>The Group's approach to stakeholder engagement is set out within the Strategic Report: Engaging with our Stakeholders section on pages 80 - 85 of our Report and Accounts for the year ended 30 September 2022.</p> <p>The Group is committed to the highest standards of responsible business practice, and has pioneered investment in the transition to a more sustainable, low-carbon global economy. This is reflected in our mission, our philosophy and our core activities.</p> <p>We are focused on ensuring that we are managing all of our funds and accounts in line with our clients' investment objectives and within a framework that is fully compliant with applicable regulations and policies. We seek to deliver consistent outcomes for our clients and superior financial returns over the longer term but also focus on four areas beyond financial returns; corporate engagement and stewardship; environmental and social impact reporting; policy and advocacy; and publishing research. We encourage feedback from our clients through our Client Service and Business Development team including engagement through client events, written communications and social media.</p> <p>We invest in companies that we believe are well positioned to be benefit as we make the transition to a more sustainable economy and proactively engage with them to minimise risks, protect shareholder value, promote greater transparency and encourage them to be more resilient over time. We take a supportive rather than activist approach and often work in collaboration with other asset managers or organisations. For more information, please see the Strategic Report: Beyond Financial Returns pages 32 - 39 of our Report and Accounts for the year ended 30 September 2022.</p> <p>Our corporate engagement and stewardship activity aims to improve our understanding and management of investment risk. In 2022 Impax became a signatory to the UK Stewardship Code, a step that requires the demonstration of robust processes in this area.</p>

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		<p>The Company is committed to full disclosure and clear communications with its shareholders. To this end the Company reports formally to shareholders at the half-year and year end and engages with them through formal meetings, informal communications and stock exchange announcements. Where voting decisions are not in line with the Company’s expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters. The Chair has engaged with institutional shareholders and advisers to discuss improvements to the disclosures in its Remuneration Report and has subsequently included increased disclosure of the Company’s variable remuneration structure and outcomes in our Report and Accounts for the year ended 30 September 2022 on pages 108 to 117.</p> <p>We continue to focus our efforts on reporting the environmental impact of our investments and the outcome of our engagement efforts. In 2022 the Company decided to produce its first group report using the Taskforce for Climate-related Financial Disclosures (“TCFD”) framework, ahead of FCA expectations to demonstrate its support for the disclosures. Our TCFD report describes how we manage climate risks and opportunities and can be found within our Report and Accounts for the year ended 30 September 2022 on pages 53 - 75. We also disclose through our annual impact report the quantified environmental and social benefits linked to our clients’ investments in our portfolio companies.</p> <p>We also strive to influence policy outcomes that support solutions to environmental and social challenges and collaborate closely with a broad network, including the scientific community, industry bodies and not for profit organisations.</p> <p>Our community strategy is underpinned by our mission statement, “to make a contribution to the development of a sustainable society by supporting or undertaking relevant research and engaging or collaborating with others.” Our approach is built on three pillars:</p> <ul style="list-style-type: none"> • Working with strategic community partners; • Delivering a high-impact approach to volunteering and charitable donations; and

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		<ul style="list-style-type: none"> • Engaging with colleagues to promote wellbeing and support Impax’s culture. <p>Impax partners with several organisations with shared principles that can collaborate with us on the transition to a more sustainable economy, working within the areas of environment and human capital.</p> <p>For more information of these partnerships and our activities please see the Strategic Report: Impax In the Community pages 50 - 52 of our Report and Accounts for the year ended 30 September 2022.</p> <p>Equity, diversity & inclusion (“E,D&I”) is central to our philosophy, values and mission and critical to our own organisational excellence, to the success of the companies in which we invest, and in creating opportunity in the communities in which we operate. We are committed to using the tools we have as investors to address discrimination and inequality. For example, we withhold votes from companies that we believe lack sufficient diversity on their boards and will engage with companies in our investment portfolio to press for greater diversity on company leadership teams and equal pay for all staff.</p> <p>Our E,D&I vision is to continue to build an inclusive, equitable culture where everyone feels they belong, are valued as individual, and can thrive. We remain focused on increasing the diversity of its employees, especially at senior levels, and committed to pay equity, including by gender.</p> <p>Our E,D&I Group is responsible for Impax’s strategy in this area and reports regularly to the Board. It is sponsored by Ian Simm, Chief Executive, and Joe Keefe, President, Impax North America, with Lindsey Brace Martinez as its Non-Executive Director sponsor. The E,D&I Group meets regularly to align on ideas, actions and progress, and to communicate feedback from colleagues.</p> <p>We are focused on integrating our one-team culture, expanding our global presence, ensuring business resilience through scalability, and sustaining a high-performing environment.</p>

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		<p>We prioritise investment to empower our colleagues to reach their full potential. This includes both professional and personal development training for all employees, including contractors, to ensure that we have the skills needed to develop the business.</p> <p>We remain committed to preserving our culture as we continue to expand and are conscious of the challenges of growing quickly in a hybrid working environment.</p> <p>During the year ended 30 September 2022 the team grew from 216 to 272 full time equivalent employees. As at 30 September 2022 49% of the Company was female, including 43% of the Board, 20% of the Executive Committee and 36% of the Investment Team.</p> <p>During the year to 30 September 2022, we had an employee turnover of 10%, while 11% of the team celebrated promotions. 65% of these promotions were women.</p> <p>We now conduct a global employee engagement survey, which this year achieved an overall engagement score, which reflects staff satisfaction and commitment, of 89%. This is an improvement of 1 percentage point from 2021 and 7 percentage points ahead of the industry benchmark, based on a 95% employee response rate.</p> <p>Other highlights for the year ending 30 September 2022 included the introduction of our first global internship scheme, the launching of a speaker series for employees to broaden E,D&I inclusion, education and awareness and our active membership of the Diversity Project which has led to our sponsorship and participation in the City Hive Cross and #TalkAboutBlack mentorship scheme including the 10,000 Black interns programme.</p> <p>The Board also fully supported the recommendation that employees on lower remuneration should receive a one-off payment to help alleviate the significant rise in living costs in 2022.</p>

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		<p>For more information and statistics regarding our demographics and gender perspective, please see the Strategic Report: Our People section on pages 40 - 49 of our Report and Accounts for the year ended 30 September 2022.</p>
<p>4. Embed effective risk management, considering both opportunities and threats, throughout the organisation</p>	<p>The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.</p> <p>Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).</p>	<p>Impax has adopted a risk management framework which takes into account the key principles of risk identification, risk measurement, risk mitigation, risk monitoring and reporting. The foundation of our risk management framework is a strong risk-aware culture with clear oversight responsibilities.</p> <p>The Board strives to achieve a balance between appropriate levels of risk and return and to ensure that the risks taken by the firm are appropriately managed and that controls in place to manage those risks are effective.</p> <p>Although the Board sets the overall business risk strategy and appetite, all staff are responsible for identifying, monitoring and reviewing current and emerging risks across their team and business functions.</p> <p>The Enterprise Risk Team is responsible for maintaining a global risk management framework, including an on-going programme to monitor the effectiveness of internal controls and processes designed to mitigate the risks identified. The Team provides reports to the Audit & Risk Committee on a quarterly basis on risk matters. The Board receives a quarterly report from the Chair of the Audit & Risk Committee, which is responsible for independently overseeing risk management and internal control environment effectiveness. Board members also receive internal audit reports which independently assess the adequacy of internal controls. The effectiveness of specific internal controls are externally audited each year and documented in a ISAE 3402 report.</p> <p>The Board has requested that climate risk be formally recorded on the Company's enterprise risk register, making it subject to independent oversight and assurance from the Enterprise Risk Team. Work to further integrate climate-related risks, including physical climate risks, into the enterprise risk framework will continue.</p>

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		<p>Pages 76 - 79 of the Strategic Report section of our Report and Accounts for the year ended 30 September 2022 set out key risks and how they are managed. Financial risk management is further discussed at pages 163 - 167 of the Financial Statements section of our Report and Accounts for the year ended 30 September 2022. Climate Risk is also discussed in our inaugural TCFD report which is contained within our Report and Accounts for the year ended 30 September 2022 at pages 63 - 66.</p> <p>A report from the Audit & Risk Committee is provided within our Report and Accounts for the year ended 30 September 2022 at pages 105 - 107. This report outlines the Committee's role and responsibilities with respect to Financial Reporting, External Auditors, Risk Management, Internal Audit and Whistleblowing and Fraud Detection. The report also discusses the Committee's activities during the year with respect to its respective responsibilities.</p>

MAINTAIN A DYNAMIC MANAGEMENT FRAMEWORK

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<p>5. Maintain the board as a well- functioning, balanced team led by the chair</p>	<p>The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.</p>	<p>The Board deals with all aspects of the Company's affairs including setting and monitoring strategy, reviewing performance, ensuring adequate financial resources are in place and reporting to shareholders. The Board reserves these and other specific matters for its own decision. Operational decisions are delegated to the Chief Executive and senior management.</p> <p>The Board consists of a Non- Executive Chair, five Non- Executive Directors and the Chief Executive. Throughout the year the position of Chair and Chief Executive were held by separate individuals. There is a clear division of responsibilities between the Chair and Chief Executive. The Non-Executive Chair's primary role is to ensure that the Board and Directors are able to operate effectively, setting the agenda and format of Board discussions to promote constructive challenge and sound decision</p>

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	<p>The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.</p> <p>The board should have an appropriate balance between executive and non- executive directors and should have at least two independent non- executive directors. Independence is a board judgement.</p> <p>The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.</p> <p>Directors must commit the time necessary to fulfill their roles.</p>	<p>making.</p> <p>The Board has appointed one of the Non-Executive Directors (Simon O'Regan) to act as the Senior Independent Director. Simon succeeded Vince O'Brien in this role and also acts as the Board's Whistleblowing Champion. The Board considers that the Chair (Sally Bridgeland) and four of the other Non-Executive Directors (Vince O'Brien, Lindsey Brace Martinez, Simon O'Regan and Annette Wilson) are independent as envisaged by the QCA Code.</p> <p>Arnaud de Servigny is not considered to be independent as he represents a significant shareholder. He does not serve as member of either of the Remuneration Committee or the Audit & Risk Committee, but participates as an observer at both Committee meetings.</p> <p>Vince O'Brien is not considered independent according to the UK Governance Code due to his length of tenure. Vince has notified the Company of his resignation as a Director, which shall become effective at the AGM in March 2023. He has retired as Chair and member of the Audit & Risk Committee, and member of the Remuneration Committee, effective 30 November 2022. Annette Wilson succeeded Vince as Chair of the Audit & Risk Committee and also assumed his role as Board Sponsor of the employee-led Environment Group.</p> <p>On 6 January 2023 Karen Cockburn succeeded Charlie Ridge as Chief Financial Officer and was appointed as a director of the Company's FCA regulated subsidiaries on the same date. In due course it is expected that Karen will join the Board as an Executive Director, which is expected to be following the conclusion of the Company's 2023 AGM.</p> <p>The Non- Executive Directors do not participate in any bonus schemes or share ownership schemes and their appointments are non-pensionable.</p> <p>The Board's committees are discussed on page 97 of the Governance section of our Annual Report and Accounts for the year ended 30 September 2022. The Board</p>

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		<p>considers the skills and knowledge of individual members of each committee upon appointment and periodically, to ensure that each committee includes members with appropriate expertise and who are able to offer an independent outlook. Further, the Non-Executive Directors and Chair all have or have had senior executive experience and offer insightful judgement on Board matters.</p> <p>The Company anticipates a time commitment from the Non-Executive Directors of twenty days per annum. This includes attendance at regular Board meetings, participation in the Audit & Risk and Remuneration Committees and a number of regular meetings to review and discuss progress with the Executive team. The Chief Executive works full time in the business and has no other significant outside business commitments.</p> <p>Details of the number of meetings of the Board (and any committees) during the year, together with the attendance record of each director, are included in the appendix to this document and are also included on page 98 of the Governance section of our Annual Report and Accounts for the year ended 30 September 2022.</p> <p>There is a rigorous procedure to appoint new Directors to the Board which is led by the Chair. At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the Board works as a unit and other factors relevant to its effectiveness. Annette Wilson joined the Board in June 2022 and has already made a significant contribution as a member of the Audit & Risk Committee and the Remuneration Committee.</p> <p>All Directors receive detailed Board papers and reports sufficiently in advance of meetings to enable a proper review and have full access to the advice and services of senior management should further information be required. There is provision for Board members to solicit professional advice on Board matters at the Company's expense.</p>
6. Ensure that between them the directors have	The board must have an appropriate balance of sector,	Pages 92 - 95 of the Governance section of the Annual Report and Accounts for the year ended 30 September 2022 describe the Board Directors' previous roles and

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<p>the necessary up-to-date experience, skills and capabilities</p>	<p>financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.</p> <p>The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.</p> <p>As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.</p>	<p>experience, current external appointments and qualifications and experience. Their biographies also appear on the Company's website.</p> <p>Our Non-Executive Director group has a diverse mix of skills and experience gained through their many years in senior positions across the investment management industry and broader global financial services sector.</p> <p>At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the Board works as a unit and other factors relevant to its effectiveness.</p> <p>Annette Wilson joined the Board in June 2022 and has already made a significant contribution as a member of the Audit & Risk Committee and the Remuneration Committee.</p> <p>Following 13 years on the Board, Vince O'Brien has notified of us his intention to retire as a Director, effective at the AGM in March 2023. He has retired as Senior Independent Director, Chair and member of the Audit & Risk Committee, and member of the Remuneration Committee, effective 30 November 2022. Annette Wilson has succeeded Vince as Chair of the Audit & Risk Committee and assumed his role as Board Sponsor of the employee-led Environment Group. Simon O'Regan has succeeded Vince as the Senior Independent Director and as the Board's Whistleblowing Champion.</p> <p>Where any such new Board appointments are considered, the search for candidates will be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender. The Board, led by the Chair, also considers appropriate and effective succession planning.</p> <p>The Board monitors its approach to the evaluation of effectiveness. In 2022 we engaged Boardroom Review, a leading independent specialist board evaluation firm, to conduct our first external board evaluation. The consultancy carried out interviews with Board members and reviewed information prior to a collective Board workshop</p>

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		<p>discussing the strengths, challenges and contribution of the Board to the Company.</p> <p>In parallel to this process, Directors completed, as in previous years, online questionnaires about their own and the Chair's performance, which were followed up with discussions with the Chair. The Senior Independent Director led the annual evaluation of the Chair's performance. In addition, board members annually complete a skills matrix covering familiarisation and expertise in relation to relevant business areas, governance and geographical experience</p> <p>All Directors are subject to reappointment by shareholders at the first opportunity after their appointment and thereafter at intervals of no more than three years pursuant to the Company's Articles of Association. The Board considers it best practice that all Directors are put up for re-election at the Annual General Meeting and accordingly has decided to go beyond the requirements of the Company's Articles of Association and require that all Directors of the Company offer themselves for re-election.</p> <p>Board members maintain their skillsets through practice in day-to-day roles, enhanced with attending specific training where required. The training consists of a combination of online modules, in-house company arranged briefings and external training. The Chair leads on skills assessments for the Board and Executive Director roles and carries out individual reviews and performance conversations with the Non-Executive Directors.</p> <p>The Company Secretary and Chief Compliance & Risk Officer (Europe & Asia Pacific) and Chief People Officer support the Chair in addressing the training and development needs of Directors.</p> <p>In order to develop awareness and understanding of the Group's operations, the Chair ensures there are additional opportunities for the Non-Executive Directors to meet with senior management outside of the Board and its committees. The Chair also provides a sounding board for the Chief Executive.</p>

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		<p>The Board uses external advisors where necessary to enhance knowledge or to gain access to particular skills or capabilities. Accountants and lawyers are used for diligence work on acquisitions. Specialist advisers have also been used by the Board to ensure compliance or to benchmark against peers, in specific areas such as internal audit, remuneration and regulatory compliance.</p>
<p>7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.</p> <p>The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.</p> <p>It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.</p>	<p>The Board carries out an evaluation of its performance annually.</p> <p>In 2022 the Company, following a formal selection process, engaged Boardroom Review to carry out its first external evaluation. Boardroom Review is a leading independent specialist board evaluation firm with extensive experience of conducting external Board reviews for clients including FTSE 100/250 companies, private companies and regulators.</p> <p>Dr Tracy Long, CEO of Boardroom Review carried out one-to-one interviews with Board members, several members of the Executive and the Company Secretary and reviewed information on the Board and its process prior to a collective Board workshop discussing the current strengths of the Board, the key challenges it faces and how well prepared the Board is for the future. Dr Long's observations and recommendations are summarised on page 99 of the Governance section of our Annual Report and Accounts for the year ended 30 September 2022. The Board has prepared a development programme capturing key themes of discussion and actions identified at the collective Board workshop, including inter alia training and development plans, a schedule of informal Board gatherings and internal and external board presentations to develop additional perspectives.</p> <p>In parallel to this process, Directors completed, as in previous years, online questionnaires about their own and the Chair's performance, which were followed up with discussions with the Chair. The Senior Independent Director led the annual evaluation of the Chair's performance. In addition, board members annually complete a skills matrix covering familiarisation and expertise in relation to relevant business areas, governance and geographical experience</p>

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		<p>The Board was satisfied that the issues raised in the previous year's evaluation had been addressed, including the increasing importance of maintaining the Company's culture and values, talent management and resourcing, development of the Board's non-financial goals and risk appetite and the evolution of the Board and Committee agendas to reflect the Company's increasing size and complexity.</p> <p>All Directors are subject to reappointment by shareholders at the first opportunity after their appointment and thereafter at intervals of no more than three years pursuant to the Company's Articles of Association. The Board considers it best practice that all Directors are put up for re-election at the Annual General Meeting and accordingly has decided to go beyond the requirements of the Company's Articles of Association and require that all Directors of the Company offer themselves for re-election.</p> <p>There is a rigorous procedure to appoint new Directors to the Board which is led by the Chair. At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the Board works as a unit and other factors relevant to its effectiveness. Where new Board appointments are considered, the search for candidates will be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender. The Board also considers appropriate and effective succession planning.. The Board considers the skills and knowledge of individual members of each committee upon appointment and periodically, to ensure that each committee includes members with appropriate expertise and who are able to offer an independent outlook.</p>
<p>8. Promote a corporate culture that is based on ethical values and behaviours</p>	<p>The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.</p>	<p>The Board seeks to lead by example to ensure that Impax's working environment is high-performance and supports an effective and empowering culture in which our colleagues feel able to fully to contribute, The Company's Mission Statement and Values are shared publicly on its website and are set out below.</p> <p><i>Our Mission</i></p>

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	<p>The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team.</p> <p>Corporate values should guide the objectives and strategy of the company.</p> <p>The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company.</p> <p>The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.</p>	<p>To generate superior, risk-adjusted investment returns from opportunities arising from the transition to a more sustainable economy for clients with a medium to long-term horizon; To make a contribution to the development of a sustainable society, particularly by supporting or undertaking relevant research and engaging or collaborating with others; To provide a stimulating, collaborative and supportive workplace for our staff.</p> <p><i>Our Values</i></p> <p>Be the solution:</p> <p>Our core focus and motivation is to offer solutions. It defines the investment approach we offer our clients, the contribution we make to the broader global community and the attitude we bring to work each day.</p> <p>A passion for excellence:</p> <p>We are passionate about our mission and our work. We strive for excellence in everything we do. We hold ourselves to high standards and trust each other to share these aspirations and contribute to the results.</p> <p>All voices valued:</p> <p>We make better decisions if we are diverse and inclusive. All voices are welcomed and all voices are heard. We aspire to a dynamic culture that embraces change and inspires the evolution of new ideas.</p> <p>Doing better together:</p> <p>We believe we can do far more, far better, working together as a team. True collaboration means treating others as we want to be treated. We value and respect our colleagues, clients and partners, their families and the wider community. We are all interconnected and cannot hope to succeed alone.</p>

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		<p>Building a common future:</p> <p>We have a responsibility to promote prosperity while protecting the planet. We are committed to sustainable development, and to stewarding our environmental and societal impact for the benefit of current and future generations.</p> <p>Integrity and appropriate conduct are an integral part of the Impax culture and values, and all our business activities. The Company undertakes regular review and monitoring of its policies in specific areas such as anti-bribery and corruption, anti-money laundering, Code of Ethics compliance, conflicts of interest, whistleblowing and information security.</p> <p>We promote openness in our culture and regularly provide training on conduct and the values of responsibility and integrity. This includes reminding colleagues of the different ways that they can raise any concerns of a more serious nature, including formal processes and via an anonymous whistleblowing hotline, provided by an external provider.</p> <p>We enjoy a strong collegial culture which continues to evolve. We value meritocracy, openness, fairness and transparency and remain committed to preserving our culture, conscious of the challenges of growing quickly in a hybrid working environment.</p> <p>This year the Company continued to enhance our working environment and culture by further embedding our values and behaviours framework into all core people processes – including hiring, appraisals, development and rewards.</p> <p>In 2022 the Group we carried out our annual employee engagement survey. This again generated very positive results against a challenging backdrop of global uncertainty. We now conduct a global employee engagement survey, which this year achieved an overall engagement score, which reflects staff satisfaction and commitment, of 89%. This is an improvement of 1 percentage point from 2021 and</p>

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		<p>7 percentage points ahead of the industry benchmark, based on a 95% employee response rate. This resulted in Impax once again winning a 5-star employer rating from WorkBuzz, the survey organiser.</p> <p>Highlights from the survey include the following:</p> <ul style="list-style-type: none"> • “I understand Impax’s mission, culture and values” 96% (4 points ahead of benchmark of 92%) • “Corporate citizenship and sustainability are core to Impax’s culture” 94% (2 points ahead of benchmark of 92%) • “Impax operates to the highest ethical standards across all its operations” 93% (2 points ahead of benchmark of 91%) <p>Equity, diversity, and inclusion (“E,D&I”) is central to our philosophy, values, and mission. Impax’s view of diversity is intentionally broad and includes, but is not limited to, gender, race, ethnicity, sexual orientation, disability, culture, religion, age, and social background – as well as the importance of intersectionality across these dimensions. Impax has a deep appreciation of the positive impact that diversity in all its richness has on its people, the Company’s culture, organisational integrity and success, and its communities.</p> <p>Impax’s E,D&I vision is to continue to build an inclusive, equitable culture where everyone feels they belong, are valued as an individual, and can thrive – bringing all aspects of themselves to work. Impax remains focused on increasing the diversity of its employees, especially at senior levels, and committed to pay equity, including by gender. Impax has made strong progress in executing this strategy over the past year. Key highlights can be found within the Our People section of the Annual Report and Accounts for the year ended 30 September 2022, on pages 46 – 48.</p> <p>Our E,D&I Group is responsible for Impax’s strategy in this area and reports regularly to the Board. It is sponsored by Ian Simm, Chief Executive, and Joe Keefe, President, Impax North America, with Lindsey Brace Martinez as its Non-Executive Director sponsor. The E,D&I Group meets regularly to align on ideas, actions and progress,</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
		<p>and to communicate feedback from colleagues.</p> <p>Following a review of our existing arrangements a refreshed approach to our compensation framework will be implemented in full in 2023. This will incorporate improvements to our pay and performance process including clearer guidance and consistency around how we set objectives and assess performance through performance scorecards and performance evaluation, within which collaboration and culture feature heavily.</p> <p>Impax is a global business which has a strong focus on ethical conduct and compliance with applicable requirements in all jurisdictions where we operate. We are committed to regulatory reporting and disclosures which benefit market transparency and integrity. The authenticity of impact, ESG and stewardship claims in financial services is coming under increased regulatory and industry scrutiny in all of our key markets. During the year ended 30 September 2022 we established a multidisciplinary working group to coordinate reporting on “Beyond Financial Returns” across the firm, responding to client demand, regulatory requirements and reflecting our voluntary commitments. We have continued to develop our approach through our own research and in response to feedback from our stakeholders. Furthermore, in the spirit of openness and transparency the Company produced its first group report in 2022 using the Taskforce for Climate-related Financial Disclosures (“TCFD”) framework, ahead of FCA expectations to demonstrate its support for the disclosures. Our TCFD report describes how we manage climate risks and opportunities and can be found within our Report and Accounts for the year ended 30 September 2022 on pages 53 - 75.</p>
<p>9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p>	<p>The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:</p> <ul style="list-style-type: none"> • size and complexity; and 	<p>Pages 96 - 17 of the Governance section of our Report and Accounts for the year ended 30 September 2022 detail the Company’s governance structures and why they are appropriate and suitable for the Company. It includes a description of the role and responsibilities of the Audit and Risk Committee and Remuneration Committee. The full terms of reference for both Committees can be found on the Company’s website.</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
	<ul style="list-style-type: none"> • capacity, appetite and tolerance for risk. <p>The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company</p>	<p>Vince O'Brien has notified the Company of his resignation as a Director, which shall become effective at the AGM in March 2023. He has retired as Chair and member of the Audit & Risk Committee, and member of the Remuneration Committee, effective 30 November 2022. Annette Wilson has succeeded Vince as Chair of the Audit & Risk Committee and also assumes his role as Board Sponsor of the employee-led Environment Group.</p> <p>The Board has two standing Committees: the Audit & Risk Committee and the Remuneration Committee. The Board may appoint other Committees from time to time to consider specific matters. The Audit & Risk Committee is responsible for overseeing financial reporting, external audit, risk management, internal audit, whistleblowing effectiveness, fraud prevention or detection, and internal controls. Annette Wilson chairs this committee, with effect from 30 November 2022. All members of the Remuneration Committee and Audit & Risk Committee are considered to be independent in accordance with the recommendations of the QCA Code.</p> <p>The Board deals with all aspects of the Company's affairs including setting and monitoring strategy, reviewing performance, ensuring adequate financial resources are in place and reporting to shareholders. The Board reserves these and other specific matters for its own decision.</p> <p>Operational decisions are delegated to the Chief Executive and senior management. The Chief Executive leads the Executive Team and is primarily responsible for implementing the Board's strategy, communication with shareholders and managing the activities of the Group other than in relation to those matters specifically reserved to the Board or delegated to its Committees.</p> <p>The Non-Executive Chair has overall responsibility for the running of the Board.</p> <p>Lindsey Brace Martinez is Chair of the Remuneration Committee and the Board Sponsor of the Company's ED&I activities.</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
		<p>Annette Wilson is Chair of the Audit & Risk Committee and the Board Sponsor of the of the Company's employee-led Environment Group, both with effect from 30 November 2022.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times.</p> <p>The Board is committed to a process of continuous improvement in its governance approach and aims to enhance and develop compliance with best practice.</p>

BUILD TRUST

QCA Code Principle	Application (as set out by QCA)	Our approach
<p>10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.</p>	<p>A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.</p> <p>In particular, appropriate communication and reporting structure should exist between the board and all constituent parts of its shareholder base. This will assist:</p>	<p>Communication practices are described below and also at pages 80 and 100 of the Governance section of our Report and Accounts for the year ended 30 September 2022.</p> <p>We are committed to full disclosure and clear communications with institutional and private shareholders. The Company reports formally to shareholders at the half-year and year end. The Company engages with its shareholders through formal meetings, informal communications and through stock exchange announcements and financial reporting.</p> <p>At the Annual General Meeting of the Company, a presentation is usually given and Directors are available to take questions, both formally during the meeting, and informally after the meeting. The Board recognizes the Annual General Meeting as an important opportunity to meet private shareholders, management also holds webinars and attend investor forums for private investors.</p> <p>We continue to work closely with our brokers, Peel Hunt and Berenberg, to maintain</p>

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	<ul style="list-style-type: none"> • the communication of shareholders' views to the board; and • the shareholders' understanding of the unique circumstances and constraints faced by the company. <p>It should be clear where these communication practices are described (annual report or website).</p>	<p>contact with institutional investors. In parallel, we have engaged other groups, including Shares/AJ Bell and Mello Events, to support our interaction with private investors and aim to increase this outreach.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times. Management (typically the Chief Executive and Chief Financial Officer) meet formally with institutional shareholders and analysts, usually after the interim and final results announcements, presenting Company results, articulating strategy and updating shareholders on progress.</p> <p>The Company encourages communication with both its institutional and private investors and responds promptly to queries received. The Chief Executive talks regularly with the Group's major shareholders and ensures that their views are communicated fully to the Board.</p> <p>Where voting decisions are not in line with the Company's expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters.</p> <p>Reports from both the Audit and Risk and Remuneration Committees, including a description of the work of both Committees during the year, are set out on pages 105 - 107 and 108 - 117 respectively of the Governance section of our Report and Accounts for the year ended 30 September 2022.</p> <p>The Investor Relations section of the Company's website includes the outcomes of shareholder votes cast at general meetings and historic annual accounts and general meeting notices over the last 5 years.</p> <p>Where a significant proportion of votes (e.g 20% of independent votes) have been cast against a resolution at a general meeting, the Company will include on its website, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote results, and, where appropriate, any different action is has</p>

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		taken, or will take, as a result of the vote. The Chair has engaged with institutional shareholders and advisers to discuss improvements to the disclosures in its Remuneration Report and has subsequently included increased disclosure of the Company's variable remuneration structure and outcomes in our Report and Accounts for the year ended 30 September 2022 on pages 108 to 117.

Appendix – Board and Committee Attendance For year ended 30 September 2022

Meeting Attendance	Board	Audit & Risk Committee	Remuneration Committee
Total Number of meetings	8	5	7
Ian Simm	8	2 as observer	7 as observer
Vince O'Brien	8	5 as member	7 as member
Sally Bridgeland	8	4 as observer	7 as member
Lindsey Brace Martinez	6 ¹	5 as member	7 as member
Simon O'Regan	8	5 as member	7 as member
Arnaud de Servigny	8	5 as observer	7 as observer
Annette Wilson ²	1	1 as member	1 as member

¹ Unable to attend one quarterly meeting due to illness and one ad hoc meeting due to unavoidable scheduling conflict.

² Appointed as Board member 28 June 2022. Attended all Board and Committee meetings held from date of appointment.