



Global Order Execution Policy Disclosure - Equities

Date: September 2024

1. Introduction

The purpose of this document is to explain Impax's Execution and Order Placement Policy ('the Policy'), as required under the recast Markets in Financial Instruments Directive 2014/65/EU (MiFID) and Markets in Financial Instruments Regulation EU 600/2014 (MiFIR) (the Directive and Regulation together "MiFID II") and the UK version of the regulation EU 600/2014, which is part of UK Law by virtue of the European Union (Withdrawal) Act 2018 UK (Onshoring of MiFID II in the UK).

In this policy, UCITS funds, segregated accounts and Alternative Investment Funds (AIFs) managed by Impax are referred to as "Clients". Impax is a specialist asset manager and as such, liquidity seeking is often the priority.

The policy applies when executing client orders directly on an execution venue and transmitting or placing orders with other entities for execution. The firm is required to take all sufficient steps to obtain consistently over time the best possible result when executing client orders, (collectively referred to as ("execution") throughout this policy.

The firm's senior management is responsible for ensuring that robust business practices are operating in all its trading activities to deliver best execution on a consistent basis and for promoting a culture that proactively identifies and manages conflicts of interest. The firm's senior management are also responsible for the on- going review and monitoring of this Policy, to ensure that it remains robust and fit for purpose, considering changes to market structures and execution practices and development of new products.

2. Order Handling - Equities

Impax's trade execution model involves the centralisation of equity trading. All equity orders within Impax Asset Management Group plc are routed to and executed by Impax Asset Management Limited (IAML) or "the firm". The firm's trading desk is segregated from portfolio management activities.

All trade execution is performed by the Global Trading team, which is staffed by experienced traders. In its role of providing portfolio management services, Impax routes all orders to a broker for execution.

Subject to local regulatory requirements, the firm may aggregate orders with one or more other clients when it is in the clients' best interests. Impax will fairly allocate aggregated orders and transactions. Orders are pre-allocated by portfolio managers when they are initially raised on our order management system. Partially filled orders are pro-rated with consideration as to economic viability.

3. Execution Factors - Equities

When executing orders, the firm 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.

The firm uses its 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 **cost** of execution of the transaction to the client;
- The **speed** of execution of the transaction;
- The **size** and nature of the order; and
- The **likelihood of execution and settlement**;
- Any other consideration relevant to the execution of the specific order (the “Execution Factors”).

Generally, price will merit a high relative importance in obtaining the best execution. However, in some circumstances, the firm may appropriately decide that other execution factors are more important than price.

4. Execution Criteria - Equities

The Firm is 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 the 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

In considering the execution criteria and the importance of the execution factors, the firm also takes 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 instructions given to the firm by the client, which may prioritise how the firm fills client orders.

5. Brokers

Where there are a number of counterparties that could execute a given order, our trading team will use their experience and knowledge to select the broker that, in their judgment, is the most appropriate, taking into account the execution factors and execution criteria. The firm will also consider the market coverage and execution advisory that the execution broker can provide.

When determining the approach to achieve best execution the trader must determine which broker to use (where more than one is available for a particular financial instrument). The firm will consider the cost and commission implications of each method, where there are competing options.

The firm has identified the brokers with which it most regularly seeks to place orders and which the firm believes offer the best prospects for affording its clients best execution. Orders may only be placed with brokers who have been approved by the firm following its selection and approval process, including formal sign off by the Global Best Execution Committee. These brokers can be found in the Annex of this policy.

6. Detailed Requirements

6.1 Introduction

For each financial instrument traded, the firm has defined the key execution factors that will be taken into account when placing orders for execution, in order to choose the counterparty that best suits its requirements.

In case of extreme circumstances, such as disruption of the execution system, the firm may not be able to execute an order in accordance with this policy. In such exceptional circumstances, the firm will endeavour to execute client orders in the most advantageous way for its client under the prevailing circumstances.

If only one place of execution exists, best execution is realised when executing the order in that execution venue. The firm will be able to demonstrate that only one place of execution exists.

6.2 Equity Trading

A method of order evaluation is used to place orders into types, based on their characteristics such as difficulty, urgency, conviction, timescale, size or price constraint. Understanding the rationale behind the investment decision helps with the matching of broker capabilities and the selection of trading tools. For example, decisions that must be implemented by a certain date, may require different trading tools than where price is the more important factor. Market conditions can evolve over time so identifying what is driving the investment decision can help with the speed of the execution.

Given the above approach, the broker will then be selected based on the relative importance of the following criteria where 1 = the most important and 3 = least important:

Criteria	Liquidity	Price	Cost to the client	Speed	Likelihood of achieving execution & settlement	Size of Order	Order type	Other criteria*
Relative importance for Equities	1	1	1	2	2	1	2	2

*Execution consulting

7. Client Specific Instructions (Directed Brokerage)

In most cases, the firm will make all dealing decisions itself in its capacity as discretionary portfolio manager however where we are given a specific instruction from a client, we shall execute the order in accordance with that specific instruction (to the extent possible).

To the extent that the firm follows specific instructions from a client when placing an order with, or transmitting an order to, another entity for execution, such instructions will supersede this policy and the firm will be deemed to have complied with its best execution obligations by following the client's specific instructions. Directed brokerage arrangements are typically documented in a client's IMA, or in a side letter however, the counterparty the firm has been directed to execute with, must be on Impax's Approved Broker list.

Specific client instructions may prevent the firm from taking the steps it has implemented in this Policy to obtain Best Execution relating to the specific aspect of the order. For all other aspects of the order, the firm will take all sufficient steps to obtain the best possible outcome for our clients.

8. Oversight, Monitoring and Review

The Global Best Execution Committee (chaired by the co-Chief Investment Officers) reviews quarterly management information relating to best execution from the trading function.

First line monitoring is performed by trading. Ongoing second-line review, oversight and challenge is provided by compliance. In addition to assessing whether internal processes and this policy are being followed, compliance assesses the monitoring performed by trading and may challenge whether best execution is being achieved consistently over time.

Any deficiencies or issues identified by the firm's monitoring procedures are promptly escalated to the Global Best Execution Committee for its review with sufficient detail and a proposal for corrective action to be taken (such as compensation for adversely impacted clients or escalation to the Management Committee), as well as any proposed changes to this Policy.

This policy and/or the firm's execution procedures are reviewed whenever a material change occurs in the market that could affect the firm's ability to obtain the best possible result for the execution of its clients' orders.

9. Transaction Cost Analysis (TCA)

The firm regularly conducts transaction cost analysis to monitor the quality of execution. Our in-house Trading team monitor the quality of our execution. Findings and trends are discussed at the quarterly Global Best Execution Committee.

10. Conflicts of Interest

Conflicts of interest are a key regulatory risk for any asset manager. The Conflicts of Interest Policy and Procedures govern the Firm's responsibility to place its clients' interests first and identify, manage and/or disclose conflicts in the Firm's business. The policy requires that the Firm and its employees must identify, manage and/or disclose any potential or actual conflicts of interest highlighted.

11. Client Disclosure and Consent

In accordance with relevant regulatory requirements, the firm is required to disclose certain information to clients regarding this Policy, including appropriate information about the firm and its services, and in some jurisdictions, additional information about the consequences of executing outside a trading venue and the entities chosen for execution.

Annex A

List of Approved Venues and Brokers– Equities

- Bank of America Securities Inc
- Berenberg Bank
- China International Capital Corp (UK) (CICC)
- Goodbody Stockbrokers UC
- Goldman Sachs International
- Instinet Europe Limited (BlockCross)
- Liberum Capital Limited
- Liquidnet Europe Limited
- Merrill Lynch International
- Morgan Stanley & Co International Plc
- National Bank Financial Inc
- Northern Trust Securities LLP
- Peel Hunt LLP
- Skandinaviska Enskilda Banken AB (SEB Group)
- UBS AG
- Virtu ITG Europe Limited
- OPTIVER V.O.F.
- Barclays Capital Securities Limited
- Robert W. Baird & Co Incorporated

Annex B

List of Approved Venues and Brokers – Futures

- GOLDMAN SACHS & CO LLC