



# **Global Order Execution Policy Disclosure**

Date: May 2023

## 1. Introduction

The purpose of this document is to provide clients of Impax with information about the Impax's best execution policy and to seek their consent to that policy.

Impax Asset Management Group plc, Impax Asset Management Limited, Impax Asset Management (AIFM) Limited, Impax Asset Management LLC, Impax Asset Management (Hong Kong) Limited and Impax Asset Management (Ireland) Limited (collectively, "Impax" or the "Firm") have developed a global best execution framework.

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

Impax Asset Management LLC ("Impax US" or "NH") and Impax Asset Management Limited ("Impax UK" or "LN") execute all equity trades on a centralised dealing desk via the Impax UK Legal Entity Identifier ("LEI"). Impax NH trades fixed securities under its own LEI.

This document constitutes the Firm's Best Execution policy and procedures (the "Policy"). It sets out the policy and procedures of the Firm that have been established and implemented to ensure sound, transparent and comprehensive execution processes are followed and specifies the controls and safeguards that are in place. This policy applies to all employees globally who have roles related to trading. Impax complies with requirements in all local jurisdictions.

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 (and not in relation to every single order) the best possible result when executing client orders, (collectively referred to as ("execution")) throughout this policy.

Impax UK conducts its business in accordance with the requirements of Conduct of Business Rules ("COBS") 11.2A "Best Execution" of the FCA Handbook.

The Firm must act in the best interests of its clients when executing decisions to deal, taking into account a number of execution factors and criteria which are discussed in detail below.

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, taking into account, amongst other things, changes to market structures and execution practices and development of new products.

## 2. Order Handling - Equities

The Firm only executes orders indirectly via brokers' infrastructure, circuit breakers and controls. The Firm does not connect directly to an exchange. All orders are placed with a broker for execution. The majority of equity orders are traded electronically via a broker algorithm ("algo"). However, in certain circumstances, orders may be traded "high touch", defined as directly with a sales trader over the telephone. Subject to local regulatory requirements Impax may aggregate orders with one or more other clients. Impax will fairly allocate aggregated orders and transactions over time.

### 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.

In order to deliver Best Execution, 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 costs 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 achieving execution and settlement;
- Any other consideration relevant to the execution of the specific order (the "Execution Factors").

### 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 (the "Execution Criteria").

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

The Firm will primarily select the broker that, in the Firm's 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. Refer to the Broker Selection and Review Procedure for further detail.  
These brokers can be found in the Annex of this policy.

## 6. Detailed Requirements for Each Financial Instrument Class Traded

### 6.1 Introduction

For each class of financial instruments 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.

The principles described in this Policy do not restrict the Firm to act otherwise, where it considers that to follow the Policy may result in an order not being executed in a way that the best possible result is obtained for the client.

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. Currently Impax only trades equities. As such, any limitations or conflicts on the selection of execution venues when also trading Securities Financing Transactions (SFTs) do not apply.

### 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 timing and duration 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

### 6.3 Treasury Bills Trading

Impax trades Treasury Bills infrequently for one account. They are traded directly on a Bloomberg MTF as an alternative to cash. Impax trades Treasury Bills on an infrequent basis with low relative notional values.

Execution criteria in terms of relative importance is detailed below:

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

### 6.4 Fixed Income Securities – Fixed Income Trading Desk

Because fixed income trading presents unique challenges, the price of an issue is the primary criteria used in selecting brokers for fixed income trades. Brokers who exhibit the ability to effect trades that most closely conform to the fixed income team’s price expectations are favoured. Impax LLC (the Adviser) may consider the following factors:

- Credit of the issue or issuer – the credit level of the issue or issuer as determined by nationally recognized statistical rating organizations. The Adviser may consider where other securities with similar ratings recently have been priced.
- Comparable transactions – recent trades in similar securities (e.g., similarly structured securities of similar issuers) completed on behalf of the Adviser, different securities traded in similar situations and different securities in similar industries with similar maturities.
- Security features – unique characteristics of the issue such as put or call features, length to maturity or any restrictions on resale or redemptions.

#### 6.4.1 Execution Criteria – Relative Importance

Execution criteria in terms of relative importance is detailed below:

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

## 7. Specific Instructions (Directed Brokerage)

It is likely to be only in rare circumstances that the Firm would receive such specific instructions. In general, the Firm will make all dealing decisions itself in its capacity as discretionary portfolio manager and on an exceptional basis. This would be discussed at length with the client prior to approval and execution.

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 such as execution timing and / or trading costs.

## 8. Oversight, Monitoring and Review

The Firm has a formalised Global Best Execution Committee that is responsible for the oversight of Best Execution. The Committee meets quarterly and is attended by delegates from Listed Equity, Fixed Income, Trading, Middle Office, Compliance and Risk.

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.

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 conducts transaction cost analysis: Outcomes 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

Under the FCA regulations, Impax requires the client's prior consent to this Policy, and for Impax to deal in either un-regulated or non-EU markets or MTFs. By appointing Impax as the discretionary portfolio manager, the client is deemed to have provided such prior express consent.

The Firm must notify its clients of any material change that occurs, which affects this Policy. A material change is a significant event that could impact parameters of Best Execution. For example, this could relate to the inclusion or removal, of a significant or new type of, execution venue. However, the client's express consent to such changes is not required.

## A. 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

## B. Annex B

### List of Approved Venues and Brokers– Fixed Income

- 280 SECURITIES
- AMHERST PIERPONT SECURITIES
- ARBOR RESEARCH AND TRADING
- APS FINANCIAL CORP.
- BAIRD, RW
- BANC OF AMERICA
- BANK OF MONTREAL
- BARCLAYS
- BASTION CAPITAL
- BB&T
- BCP SECURITIES
- BGB SECURITIES
- BLOCKCROSS
- BLUE TRADING (SEACOAST PARTNERS)
- BNP PARIBAS
- BNY CAPITAL MARKETS/BNY CONVERGEX
- BREAN CAPITAL
- BUCKMAN, BUCKMAN AND REED
- BTIG
- CABRERA CAPITAL
- CANACCORD GENUITY
- CANTOR FITZGERALD



- CARIS & COMPANY
- CAROLINA CAPITAL
- CASTLEOAK
- CHARLES RIVER BROKERAGE
- CIBC
- CITIGROUP (Smith Barney)
- CITIZENS CAPITAL MARKETS
- CLEARVIEW TRADING
- CL KING
- COMPASS POINT RESEARCH
- COLLINS STEWART
- CONVERGEX/BNY
- CORNERSTONE MACRO
- COWEN & CO.
- CREDIT AGRICOLE CIB
- CREDIT SUISSE
- FIRST BOSTON
- DB SECURITIES
- DNB SECURITIES
- DREXEL HAMILTON
- ESPOSITOSECURITIES
- FIELDSTONE CAPITAL
- FIRST ANALYSIS
- FLOW TRADING
- FREIDMAN BILLINGS RAMSEY
- FTN FINANCIAL
- GFI GROUP
- GLOBAL HUNTER
- GMP SECURITIES
- GOLDMAN
- GUGGENHEIM CAPITAL MARKETS
- IMPERIAL CAPITAL
- INSTINET
- INTERNATIONAL FCSTONE FINANCIAL (STONEX)
- ISAAK BOND INVESTMENTS
- ISI SECURITIES
- ITG
- JANE STREET
- JANNEY MONTGOMERY SCOTT
- JEFFERIES
- JMP SECURITIES
- JONESTRADING
- JP MORGAN SECURITIES
- JP McGOWAN & CO.
- KBC FINANCIAL
- KEEFE BRUYETTE AND WOODS
- KEY BANC
- KNIGHT
- LAZARD
- LEERINK SWANN
- LIBERTAS PARTNERS

- LIQUIDITY FINANCE
- LIQUIDNET
- MACQUARIE CAPITAL
- MARKET AXESS
- MAXIM GROUP LLC
- MERRILL LYNCH
- MFR SECURITIES
- MILLENNIUM ADVISORS
- MILLER TABEK
- MISCHLER FINANCIAL
- MITSUBISHI FINANCIAL
- MIZUHO
- MOGAVERO, LEE & CO.
- MORGAN JOSEPH
- MORGAN STANLEY
- MULTI-BANK SECURITIES (MBS)
- NOMURA
- ODEON CAPITAL
- O'NEIL SECURITIES
- OPPENHEIMER
- OSCAR GRUSS AND SONS
- PARETO SECURITIES (NORDIC PARTNERS)
- PENSERRA SECURITIES
- PIPER JAFFRAY & CO
- PRINCERIDGE
- RAYMOND JAMES
- RBS
- RBC DAIN RAUSCHER
- RENAISSANCE MACRO SECURITIES
- ROSENBLATT SECURITIES
- RW BAIRD
- RW PRESSPRICH
- SAMCO CAPITAL MARKETS
- SAMUEL RAMIREZ & CO.
- SANTANDER CENTRAL
- SARATOGA CAPITAL
- SCOTIA CAPITA
- SEACOAST PARTNERS (BLUE TRADING)
- SEAPORT GROUP
- SEB SECURITIES
- SG AMERICA (COWEN & CO.)
- SOLEIL
- SOUTHWEST SECURITIES
- STERNE, AGEE & LEACH.
- STIFFEL NICHOLAUS
- STONEX FINANCIAL/STONEX SECURITIES
- SUMMER STREET RESEARCH
- SUMMIT SECURITIES
- SUMRIDGE PARTNERS
- SUNTRUST CAPITAL
- TD SECURITIES

- UBS
- VANQUISH CAPITAL
- VANTAGE CAPITAL GROUP (VCG)
- VERTICAL GROUP
- WEDBUSH
- WELLS FARGO
- WILLIAM BLAIR AND CO.
- WUNDERLICH SECURITIES

## C. Annex C

### List of Approved Venues and Brokers – Futures

- GOLDMAN SACHS & CO LLC