

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action which you should take you are recommended to consult your solicitor, accountant or independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your Ordinary Shares in Impax Asset Management Group plc, you should pass this circular and the accompanying documents to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Impax Asset Management Group plc

(the “Company”)

(Incorporated and registered in England and Wales under the Companies Act 1985 (as amended) with registered number 3262305)

Directors:

J Keith R Falconer (Chairman)
Ian R Simm
Guy de Froment
Vincent G O'Brien
Lindsey Brace Martinez
Sally Bridgeland

Registered Office:

7th floor
30 Panton Street
London
SW1Y 4AJ

18 December 2017

To the holders of the Ordinary Shares (“Shareholders”)

Dear Shareholder,

The notice convening the Annual General Meeting is included in the Annual Report and Accounts. Resolutions 1 to 6 deal with the ordinary business that normally takes place at the Annual General Meeting, and require no explanation.

As recently announced, the Board is proposing payment of a final dividend of 2.2 pence per Ordinary Share in respect of the financial year ended 30 September 2017*. If approved by Shareholders pursuant to resolution 6, the dividend will be payable to holders of Ordinary Shares on the register of members at the close of business on 9 February 2018, being the record date, and is expected to be paid on or around 16 March 2018.

Resolution 7 seeks to renew the Directors' existing authority to allot shares. The resolution will authorise the Directors to allot shares in the Company, or grant rights to subscribe for or to convert any securities into shares in the Company, without restriction up to an aggregate nominal amount equal to £425,830.32 (which represents approximately one third of the Company's issued share capital as at the date of this document). In addition, in accordance with guidance issued by the Investment Association on the expectations of institutional investors in relation to the authority of Directors to allot shares, on the passing of resolution 7 the Directors will have the authority (pursuant to paragraph (b) of the resolution) to allot shares in connection with a rights issue in favour of Shareholders up to an aggregate nominal amount of £851,660.65, as reduced by the nominal amount of any shares issued under paragraph (a) of the resolution. This amount (before any reduction) represents approximately two thirds of the Company's issued share capital as at the date of this document. This authority will expire at the conclusion of the Company's next Annual General Meeting (or, if earlier, 2 June 2019) unless previously renewed, varied or revoked by the Company. The Directors have no present intention of exercising this authority.

If the Directors do exercise the authority to allot shares, the Directors intend to follow the Pre-Emption Group's Statement of Principles, as updated in March 2015, and the template resolutions published by the Pre-Emption Group in May 2016. Resolutions 8 and 9 will, if passed, give the Directors power to issue Ordinary Shares for cash otherwise than pro rata to existing Shareholders. The authorities will also permit the sale for cash on a non-pre-emptive basis of shares held by the Company in treasury up to the relevant limit. The waiver under Resolution 8 will be limited by value to 5 per cent. of the Company's nominal issued share capital and so will apply to Ordinary Shares having an aggregate nominal value of £63,874.54. The waiver under Resolution 9 will be limited by value to a further 5 per cent. of the Company's nominal issued share capital and so will apply to Ordinary Shares having an aggregate nominal value of a further £63,874.54, provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning of the Statement of Principles). Any such refinancing must be within six months of the original transaction. The disapplication of pre-emption rights in respect of a further 5 per cent. of the Company's issued share capital in addition to the authority proposed to be granted pursuant to Resolution 8 reflects the guidance from the Pre-Emption Group's revised Statement of Principles published on 12 March 2015 and its guidance issued on 5 May 2016. The Directors will have due regard to the Statement of Principles in relation to any exercise of these powers. The authorities will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, on 2 June 2019. The new authorities are being sought so as to maintain flexibility in the financing of the Company.

The purpose of resolution 10 is to allow the Company to buy back up to 12,774,909 of its Ordinary Shares. The Directors will only carry out such purchases where there are sufficient liquid resources available in the Company and if the Directors believe it would be in the best interests of Shareholders generally to do so. Ordinary Shares that are bought back under the proposed authority will either be held in treasury or cancelled. The Directors believe that the ability to hold Ordinary Shares in treasury will provide the Company with additional flexibility in the management of its capital base. Any Ordinary Shares held in treasury may at a later date be cancelled or sold for cash, or may, as appropriate, be used to satisfy employee share options or be granted to employees in lieu of a portion of cash remuneration. The rights attaching to Ordinary Shares held in treasury, including voting rights and any right to receive dividends are suspended whilst they are held in treasury. The proposed resolution specifies the maximum aggregate number of Ordinary Shares that may be acquired (namely, 12,774,909 being approximately 10 per cent of the Company's current issued share capital), and the maximum and minimum price at which they may be bought. This authority will expire at the conclusion of the Company's Annual General Meeting to be held in 2019, unless previously renewed, varied or revoked by the Company.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its Shareholders as a whole and recommend you vote in favour of the resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully,

J Keith R Falconer
Chairman

*Proposed to be declared by reference to interim accounts made up to 30 November 2017.