

## Impax Asset Management Proxy Voting Policy

March 2020

### 1. Principles:

Proxy voting is a key component in the ongoing dialogue with companies in which we invest. As such, voting is an important aspect of Impax Asset Management's investment process. We are committed to ensuring the consistent exercising of voting rights associated with shares held in investment mandates where proxy voting has been delegated to us. Through implementation of our voting policy, we aim to enhance the long-term value of our shareholdings, foster corporate governance best practices and promote accountability and transparency. We strive to vote on all shares held, where it is in the best interest of our clients and where excessive costs or administrative burdens are not present.

We invest in companies in a variety of countries and markets voting proxies around the globe each year. Every market has unique rules, reporting requirements, and ESG practices and standards. We strive to stay abreast of new and emerging issues in these markets, and how they relate to global best practices for ESG issues.

We support the UK Stewardship Code and comply with its guidelines regarding proxy voting.<sup>1</sup>

In addition, the Pax World Funds comply with the US Securities and Exchange Commission's proxy voting disclosure requirements for mutual funds.

### MAIN CORPORATE GOVERNANCE PRINCIPLES THAT WE EXPECT FROM OUR INVESTEE COMPANIES:

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- Creating sustainable, long-term value for stakeholders
- Protecting shareholder rights
- Maintaining high integrity in corporate behaviour at all times
- Ensuring an independent and efficient board structure
- Aligning corporate incentive structures and remuneration with long-term interests of shareholders
- Disclosing accurate, timely and transparent financial and corporate governance information
- Ensuring strong environmental and social performance and disclosures.

### 2. Process:

- Impax uses a third-party voting platform to facilitate our vote execution, reporting and record keeping. We also use third-party service providers, including proxy advisory service providers and ESG research providers, to help inform our analysis of proxy issues and proxy votes.
- Impax's proxy voting principles and guidelines are informed by country governance codes and best practices, advisory governance research, and internal research.
- We apply our voting principles and guidelines with full consideration to a company's circumstances, following analysis by the Impax investment team.
- Votes are cast on all shares, where there are no legal, financial or technical constraints.
- Where our proxy voting principles and guidelines or general corporate governance best practice principles are not met, we vote against a resolution and, when practical, attempt to engage with the investee firm before or after the meeting.

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<sup>1</sup> The scope of the UK Stewardship Code is primarily relating to institutional investors and funds based and managed in the UK. However, the Pax World Funds proxy voting approach is also aligned with the Code's guidelines relating to proxy voting.

- We carefully assess shareholder resolutions and tend to vote for resolutions that are reasonable and would strengthen governance structures, shareholder rights or sustainability processes and disclosures.

### 3. Disclosures:

- **Proxy voting records.**
  - On a quarterly basis Impax publicly discloses on its website a summary of the company's proxy voting activity
  - Voting decisions for both past and upcoming meetings for each of the Pax World Funds are disclosed on the Pax World Funds' website. Pax World Funds files a Form N-PX (annual report of proxy voting record) with the U.S. Securities and Exchange Commission annually.
- **Proxy voting guidelines:** The Pax World Funds' Proxy Voting Guidelines are available on the Pax World Funds' website.
- **ESG policy.** Impax's ESG policy is publicly disclosed on the Impax website.
- **UK Stewardship Code statement.** This statement can be found on the Impax website.
- **Client communications.** We regularly discuss our stewardship policies and activities with our clients. The Manager Reports that we publish include a reference to where further information on our stewardship policies and activities can be found.

All related public disclosures can be found here:

<https://impaxam.com/investment-philosophy/environmental-social-and-governance-risk-management/>

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