

## **Impax Leaders secures \$200 million commitment from leading US pension fund**

*Long-only strategy actively invests worldwide in growing resource efficiency and environmental markets and is free from fossil fuels*

London, 8 July 2019 – Impax Asset Management ('Impax') today announced that the California State Teachers' Retirement System (CalSTRS), the largest educator-only pension fund in the world, has committed \$200 million to the Impax Leaders strategy, a portfolio that actively invests worldwide in the opportunities presented by the growing Resource Efficiency and Environmental Markets and is free from fossil fuels.

The commitment follows a solicitation by CalSTRS in October 2016 for environmental, social and governance-focused investment managers. The system, which manages \$228 billion on behalf the state's public school educators, searched for public equity investment managers with a successful track record of ESG considerations in areas such as security analysis, portfolio modeling and investment analytics, as well as a demonstrated ability to generate excess market returns over the long-term. Following a rigorous 15-month process, Impax was selected from among eight investment managers. The firm was chosen for its Impax Leaders strategy.

Impax Leaders integrates ESG considerations, as both a source of growth and a risk factor, into a more traditional, fundamental investment process. The strategy exemplifies Impax's best ideas from the last two decades of specializing in investing in the transition to a more sustainable economy. Its objective is to deliver sustainable, above market returns over the long-term by identifying mispriced companies that address several long-term macroeconomic themes: growing populations, rising living standards, increasing urbanisation, rising consumption and the depletion of limited natural resources. Investments are made in companies which have more than 20% of their underlying revenue generated by sales of environmental products or services in the energy efficiency, renewable energy, water, waste and sustainable food and agriculture markets.

**Ian Simm, CEO of Impax** welcomed this development, saying: "The transition to a more sustainable global economy is set to create enormous economic benefits and momentum is building. Being chosen to help CalSTRS tap into that growth and invest on behalf of California's educators is truly an honour and testament to Impax's approach and the team's track record of delivering returns for our clients."

### **CalSTRS Director of Sustainable Investment and Stewardship Strategies Kirsty Jenkinson**

**commented:** "CalSTRS has a long track-record in integrating ESG factors into its investments. Bringing on Impax as a manager within our portfolio supports our investment in companies that strive for sustainability in their operations, while generating positive investment returns to help us meet our long-term obligations and delivering tangible outcomes for the environment."

**Simm continued:** "The investment returns of Impax Leaders has been strong for the last five years. The strategy also has a proven track record of environmental returns including avoiding 120 tCO<sub>2</sub> of net carbon emissions in 2017 through investments." (See notes to editors.)

**Molly Ono, Director, Western Region,** said: "We look forward to working with CalSTRS and combining our efforts in elevating sustainable investment opportunities, raising awareness of environmental and social risks, and continuing to improve the governance of the companies we own."

Impax Leaders, managed by Hubert Aarts, Bruce Jenkyn-Jones and David Winborne, has a concentrated portfolio of 40 to 60 companies and invests over a five to seven-year horizon with a low turnover. The portfolio has broad geographic and sector exposure relative to the MSCI ACWI benchmark.

## Enquiries

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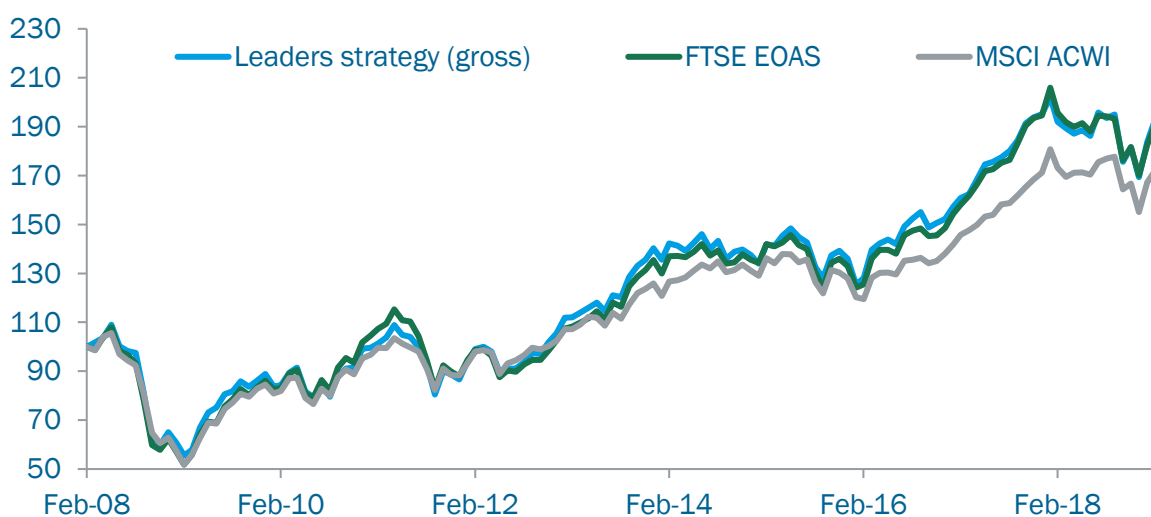
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## Notes to Editors



## HISTORICAL PERFORMANCE (%)

|                  | YTD  | 2018  | 2017 | 2016 | 2015 | 2014 |
|------------------|------|-------|------|------|------|------|
| Strategy (gross) | 15.0 | -13.2 | 28.2 | 11.9 | -1.1 | -2.0 |
| Strategy (net)   | 14.8 | -13.9 | 27.2 | 11.0 | -1.6 | -2.6 |
| FTSE EOAS        | 13.4 | -12.6 | 31.0 | 11.7 | -1.9 | 0.1  |
| MSCI ACWI        | 12.2 | -9.4  | 24.0 | 7.9  | -2.4 | 4.2  |

Past performance of a strategy is no guarantee as to its performance in the future. The value of investments can fall as well as rise and you may get back less than you have invested. All data is in USD as at 31 March 2019. Composite figures are presented both gross and net of management fees and include the reinvestment of all income. MSCI index is total net return (net dividend reinvested), FTSE index is total return (gross dividend reinvested). Source: FactSet/WM Reuters. Impax Asset Management Limited claims compliance with the Global Investment Performance Standards (GIPS)®. Further information on composite data is available on request.

## About Impax Asset Management

Founded in 1998, Impax is a specialist asset manager, with approximately GBP£13.6 billion /US\$17.2 billion<sup>1</sup> in both listed and real asset strategies, investing in the opportunities arising from the transition to a more sustainable global economy.

We believe that capital markets will be shaped profoundly by global sustainability challenges, including climate change, pollution and essential investments in human capital, infrastructure and resource efficiency. These trends will drive growth for well- positioned companies and create risks for those unable or unwilling to adapt.

We seek to invest in higher quality companies with strong business models that demonstrate sound management of risk.

Impax offers a well-rounded suite of investment solutions spanning multiple asset classes seeking superior risk-adjusted returns over the medium to long term.

[www.impaxam.com](http://www.impaxam.com)

<sup>1</sup>As of 31 May 2019

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