

Impax selected to run newly launched FÉRIQUE Global Sustainable Development Equity Fund in Canada

- The FÉRIQUE Global Sustainable Development Equity Fund will be managed using same process as Impax Global Opportunities strategy

London, 09 February 2021 – Impax Asset Management (“Impax”), the specialist asset manager investing in the transition to a more sustainable global economy, announced today that it has been awarded a C\$106 million sub-advisory mandate to manage the newly launched FÉRIQUE Global Sustainable Development Equity Fund (“the Fund”).

FÉRIQUE Fund Management (“FÉRIQUE”) is the only non-profit mutual fund company in Canada whose sole purpose is to serve the interests of engineers, engineering graduates and their families.

The FÉRIQUE Global Sustainable Development Equity Fund will be managed using the same process as the Impax Global Opportunities strategy, an all-cap global equity strategy that captures opportunities from the transition to a more sustainable economic model and includes a strong focus on the risks arising from the transition in order to achieve long-term capital growth.

Co-managed by Kirsteen Morrison and David Winborne, the Impax Global Opportunity strategy invests in durable companies identified by the proprietary Impax Sustainability Lens and aims to invest in companies with track records of generating consistent returns, which demonstrate above average free cash flow predictability, and where it believes a company’s long-term opportunities are not necessarily reflected in today’s share price. The strategy has outperformed the MSCI All Country World Index since inception in January 2015, returning 15.6% (annualised, gross) relative to 11.4% from the benchmark.¹

David Richardson, Executive Director, Client Service & Business Development at Impax, said:

“As one of the first financial companies in Quebec to address and offer dedicated funds for responsible investment, ESG integration, proxy voting and shareholder engagement, FÉRIQUE is highly regarded as an investment manager looking to serve forward-thinking investors motivated by the transition to a more sustainable economy. We are honored that FÉRIQUE has chosen Impax to manage its first sustainable equity fund.”

Louis Lizotte, Chief, Investment solutions at FÉRIQUE, said:

“In looking to expand on our strong commitment to responsible investing, we selected Impax to manage the FÉRIQUE Global Sustainable Development Equity Fund due to the firm’s global expertise in understanding the risks and opportunities arising from the transition to a more sustainable economy. We look forward to this partnership and offering a sustainable equity solution to better serve the interests of Canadian engineers and their families.”

FÉRIQUE has been a longstanding proponent of responsible investing having aligned its proxy voting to ESG best practice in 2006, becoming signatories of the UN PRI in 2011 and signatories of the Climate Action 100+ initiative in 2019.

¹ See below for further performance data

This is the latest in a series of recent wins for the GO strategy, which is co-managed by David Winborne and Kirsteen Morrison:

- In April 2020, Desjardins in Canada selected Impax to run its Desjardins SocieTerra Environment Fund, which has grown significantly from C\$152 million as of 31 March 2020 to C\$219.40 million as of December 31, 2020.
- In September 2020, Italian investment firm Quaestio Capital Management awarded Impax a €79 million segregated account mandate.
- In January 2020 Impax commenced managing part of the West Midlands Pension Fund. Impax was appointed alongside four other managers to manage collectively up to £1 billion, which represented the largest allocation to actively managed sustainable equities ever made in the UK.

About the Impax Global Opportunities (“GO”) Strategy

The GO strategy broadens the investment universe of Impax’s thematic environmental strategies, to encompass a wider set of opportunities arising from the transition to a more sustainable global economy.

GO seeks to achieve long-term capital growth through investment in companies with sustainable competitive advantages and track records of consistent returns on investment, where the portfolio managers believe that these characteristics are not reflected in the share price. The investment process includes a strong focus on the risks arising from the transition to a more sustainable global economy, whilst seeking to harness the opportunities that it presents.

The GO strategy can be accessed by investors in Europe and the United States via an Ireland UCITS fund, as well as through the Pax Global Opportunities Fund launched in July 2018.

ANNUALISED PERFORMANCE (%)				
	1Y	3Y	5Y	SINCE LAUNCH ¹
Strategy (gross)	22.6	18.0	15.0	15.6
Strategy (net)	21.8	17.2	14.2	14.8
MSCI ACWI	14.2	10.7	10.3	11.4

CALENDAR YEAR PERFORMANCE (%)						
	2020	2019	2018	2017	2016	2015
Strategy (gross)	22.6	28.3	4.5	25.4	-2.2	18.4
Strategy (net)	21.8	27.3	3.8	24.5	-3.0	17.5

MSCI ACWI	14.2	20.2	-1.3	15.8	4.1	17.1
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These figures refer to the past. Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise and you may get back less than you have invested. All data is in CAD as at 31 December 2020. 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). ¹Launched January 2015. Impax Asset Management Limited claims compliance with the Global Investment Performance Standards (GIPS®). Further information on composite data is available on request. Reference should be made to the Annual Disclosure Presentation(updated quarterly) which can be found at the back of this document.

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About Impax

Founded in 1998, Impax is a specialist asset manager, with approximately £26.8bn / US\$36.8bn as of 31 January 2021 in both listed and private markets strategies, investing in the opportunities arising from the transition to a more sustainable global economy.

Impax believes 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.

The company seeks 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.

Impax has ca. 180 staff across six offices in the United Kingdom, the United States, Ireland and Hong Kong, making it one of the investment management sector’s largest investment teams dedicated to sustainable development.

www.impaxam.com

ABOUT FÉRIQUE FUND MANAGEMENT

Founded on October 12, 1999, FÉRIQUE Fund Management (www.ferique.com) is the manager of the FÉRIQUE Funds, launched in 1974 by the Ordre des ingénieurs du Québec. It is the only non-profit mutual fund company in Canada whose sole purpose is to serve the interests of engineers, engineering graduates and their families. The firm offers 13 mutual funds and 5 portfolios diversified across all asset classes. Management of the Funds is entrusted to renowned investment firms, handpicked by FÉRIQUE based on their asset class expertise. FÉRIQUE Funds have more than \$3.2 billion in assets under management and over 22,800 unitholders as at December 31, 2020.

Global Opportunities: annual disclosure presentation – CAD

Year	Total Firm Assets (Millions)	Composite Assets (Millions)	No. of Portfolios	Annual Gross Return	Annual Net Return	Annual Benchmark Return	Asset Weighted StdDev*	3yr Annualized Std Dev**	Benchmark 3yr Annualized Std Dev**
2020	42,064.54	5,439.70	7	22.55	21.78	14.22	--	12.60	12.68
2019	26,186.21	1,138.01	4	28.26	27.31	20.20	--	11.00	9.17
2018	18,338.14	63.68	3	4.53	3.75	-1.26	--	11.85	9.45
2017	12,500.90	4.87	1	25.42	24.48	15.83	--	11.76	10.64
2016	7,316.92	3.94	1	-2.24	-2.96	4.13	--	--	--
2015	5,388.56	4.15	1	18.40	17.52	17.10	--	--	--

*The asset weighted standard deviation is not shown when there were less than six accounts in the composite for the entire year.

** The 3 years ex-post standard deviation is not shown for the composite and benchmarks if 36 rolling monthly returns are not available. Both the internal and external risk figures are calculated using monthly gross-of-fee returns.

Composite Description

The Global Equity Opportunities Composite contains long only accounts which invest in companies involved in sustainable global equities. For comparison purposes, the composite is measured against the MSCI All Country World Index.

The Global Equity Opportunities Composite was created January 1, 2015. The inception date of the composite's performance was January 1, 2015.

Claiming GIPS Compliance

Impax Asset Management claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Impax Asset Management has been independently verified for the periods March 1, 2002 through to December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Global Equity Opportunities Composite has had a performance examination for the periods January 1, 2019 through to December 31, 2019. The verification and performance examination reports are available upon request.

Firm Information

Impax Asset Management is defined as Impax Asset Management Limited, Impax Asset Management (AIFM) Limited and Impax Asset Management LLC. These entities are subsidiaries of Impax Asset Management Group plc ('IAM') which is a publicly traded investment management company registered in the United Kingdom, and is headquartered in London, UK. For GIPS purposes the firm includes discretionary and non-discretionary accounts but excludes accounts which have a mandate to invest entirely in private equity or property. Prior to January 2018, Impax Asset Management only included Impax Asset Management Limited and Impax Asset Management (AIFM). The firm was redefined to also include Impax Asset Management LLC to reflect the acquisition of Pax World Management LLC. The firm's List of Composite, Limited Distribution Pooled Fund, and Broad Distribution Pooled Fund descriptions is available upon request.

Benchmark Description

The MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. It covers 23 developed and 23 emerging market country indexes. The index is displayed in CAD.

Calculation Methodology

Returns are calculated using the asset-weighted method and individual portfolios are revalued daily or monthly, depending on their structure. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Withholding taxes may vary according to the investor's domicile. Net of fees returns are calculated by reducing monthly gross returns by the maximum applicable fee according to the stated fee schedule below. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. Since March 2015, the MSCI All Country World Index performance is presented net of foreign withholding taxes on dividends, interest income and capital gains. Previously, the performance was presented gross of withholding taxes. The amendment was applied retroactively to more accurately reflect the composite performance.

Fees and Expenses

Impax Asset Management uses a model fee for the computation of composite net-of-fee returns. Since August 2020, net-of-fee returns are calculated net of actual investment management fees, actual incentive fees/carry and before custody fees. The composite return includes a performance fee of 15% of the excess return over the benchmark return for one of the accounts within the strategy. Performance fees crystallise each 31 December if outperformance has been achieved, and the performance fee calculation resets. Prior to August 2020, net-of-fee returns were calculated using the maximum applicable fee. From May to July 2020, the highest annual management fee for the composite is 1.00%. Previously, from January 2015 to April 2020 the highest was 0.75%. Actual investment advisory fees incurred by portfolios may vary.

From January 2002 to October 2018 the gross returns for the separate accounts were calculated using the fee applicable to Impax Asset Management, whilst since November 2018 the fee used to gross up the returns is the actual total expense. From January 2002 to October 2018 the highest fee used to calculate the net of fee performance returns was only applicable to Impax Asset Management, whilst since November 2018 the highest fee used for the computation is the total management fee which is expected to be paid by the relevant account.

Other Disclosures

Trading may occur in local currency, but it is converted to base currency based on Bloomberg exchange rates as of 6pm Greenwich Mean Time each day, therefore performance is affected by currency translation. Since October 2010 base currency is converted using WM Reuters exchange rates as of 4pm Greenwich Mean Time.

The CAD is the currency used to express performance, results are affected by currency translation. Returns are presented gross and net of management fees and include the reinvestment of all income. Policies for valuing portfolios, calculating performance, and preparing GIPS Reports are available upon request.

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