

Corporate Governance

THE QUOTED COMPANY ALLIANCE (QCA) CODE

I was delighted to assume the role of Chair in December 2020 at such an exciting point in Impax's history. As Chair, I am responsible for leading the Board in order to ensure that Impax Asset Management Group plc (the "Company") has in place the strategy, people, governance structure and culture to deliver value to shareholders and other stakeholders of the Group, as a whole, over the medium to long term.

The Directors recognise the importance of good corporate governance and have chosen to apply the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). The QCA Code was developed in consultation with a number of significant institutional small company investors, as a corporate governance code applicable to AIM companies. The underlying principle of the QCA Code is that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term". We have set out in what follows how the Company addresses the key governance principles defined in the QCA Code. Further information on compliance with the QCA Code will be provided in our next annual report. Where our practices depart from the expectations of the QCA Code, we will clearly highlight these and give an explanation as to why it is appropriate for the Group to depart from the QCA Code. We will continue to monitor how the QCA Code is interpreted in practice to ensure we address its important principles.

Sally Bridgeland, Chair

This disclosure was last reviewed and updated on 8 February 2022

THE PRINCIPLES OF THE QUOTED COMPANY ALLIANCE (QCA)

CODE DELIVER GROWTH

QCA Code Principle	Application (as set out by QCA)	Our approach
<p>1. Establish a strategy and business model which promote long-term value for shareholders</p>	<p>The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.</p>	<p>The Group's strategy is explained within the Strategic Report section on pages 59-62 of our Report and Accounts for the year ended 30 September 2021, which is available on the Company's website.</p> <p>Our business model and strategy are focused around the following key areas:</p> <p>Deliver superior, risk adjusted returns; Optimise existing & selectively launch new strategies; Widen & deepen distribution channels; Enhance client experience beyond investment returns; Attract & develop an outstanding team; Increase operational scalability & efficiency; Build insights & advocacy around the transition to a more sustainable economy; and Deliver excellent financials & sustainable stakeholder value.</p> <p>The key challenges to the long-term future of the business and how these are managed is detailed within the Strategic Report section on pages 63 - 67 of our Report and Accounts for the year ended 30 September 2021.</p> <p>A summary of the Group's values is detailed within the Strategic Report: on pages 6 - 7 of our Report and Accounts for the year ended 30 September 2021.</p>

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<p>2. Seek to understand and meet shareholder needs and expectations</p>	<p>Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.</p> <p>The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.</p>	<p>The Company reports formally to shareholders at the half-year and year end. The Company engages with its shareholders through formal meetings, informal communications and through stock exchange announcements.</p> <p>At the Annual General Meeting of the Company, a presentation is usually given and Directors are available to take questions, both formally during the meeting, and informally after the meeting. The Board recognizes the Annual General Meeting as an important opportunity to meet private shareholders. While dialogue with our shareholders through in-person meetings has been more difficult in the last two years, we have continued to work closely with our brokers, Peel Hunt and Berenberg, to maintain contact with institutional investors. In parallel, we have engaged other groups, particularly Equity Development and ShareSoc, to support our interaction with private investors.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times. Management (typically the Chief Executive and Chief Financial Officer) meet formally with institutional shareholders, usually after the interim and final results announcements, presenting Company results, articulating</p>

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		<p>strategy and updating shareholders on progress. Management also hold webinars and attend investor forums for private investors.</p> <p>The Company encourages communication with both its institutional and private investors and responds promptly to queries received. Where voting decisions are not in line with the Company's expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters.</p>
<p>3. Take into account wider stakeholder and social responsibilities and their implications for long-term success</p>	<p>Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.</p> <p>Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.</p> <p>Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.</p>	<p>The Group's business model is set out within the Strategic Report: Engaging with our Stakeholders section on pages 59 - 62 of our Report and Accounts for the year ended 30 September 2021.</p> <p>The Group is committed to the highest standards of responsible business practice. We review our corporate responsibility under the categories of People, Community, Environment and Marketplace, to understand the Company's impact.</p> <p>Impax engages with investee companies and is committed to long term engagement to improve practices and disclosures across their governance and sustainability activities. For more information please see the Strategic Report: Beyond Financial Returns pages 31 - 37 of our Report and Accounts for the year ended 30 September 2021.</p> <p>Our community strategy is</p>

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		<p>underpinned by our mission statement, “to make a contribution to the development of a sustainable society by supporting or undertaking relevant research and engaging or collaborating with others.” Our approach is built on three pillars:</p> <ul style="list-style-type: none"> • Working with strategic charitable and not-for-profit partners • Delivering a high-impact approach to volunteering and charitable donations • Engaging with colleagues to promote wellbeing and support Impax’s culture. <p>Impax partners with four organisations closely aligned with our focus on the transition to a more sustainable economy.</p> <p>For more information please see the Strategic Report: Impax In the Community pages 50-53 of our Report and Accounts for the year ended 30 September 2021.</p> <p>As an investment manager specialising in the transition to a sustainable economy, the greatest contribution Impax can make to achieving the goals of the Paris Climate Agreement is through our core activities. In particular, this is through our investment decisions, but also our engagement with the companies in which we invest, our collaboration with clients and other stakeholders, and our policy advocacy. We have focused our efforts accordingly on reporting the environmental impact of our investments and the outcome of our engagement efforts, as</p>

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		<p>presented respectively in our annual Impact and Engagement reports. For more information please see the Strategic Report: Climate Impact pages 54-58 of our Report and Accounts for the year ended 30 September 2021.</p> <p>Equality, diversity & inclusion (“E,D&I”) are critical to our own organisational excellence, to the success of the companies in which we invest, and in creating opportunity in the communities in which we operate. We are committed to using the tools we have as investors to address discrimination and inequality.</p> <p>Gender is a key facet of our overall equality, diversity and inclusion agenda. We believe a diverse workforce, where people feel a sense of inclusion, belonging and acceptance, can improve creativity and problem-solving, resulting in better decisions, more positive results, and greater innovation.</p> <p>We are focused on helping all colleagues reach their full potential and on addressing inclusion holistically, on the basis that none of us is defined by one aspect of our identity alone.</p> <p>As at 5 April 2021, we employed 193 permanent staff across our global business, with a total of 89 women accounting for 46% of our workforce. A quarter of our Executive Committee is female. Two of five of our Non-Executive Directors are</p>

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		<p>female. Sally Bridgeland chairs the company's Board and Lindsey Brace Martinez chairs the Company's Remuneration Committee.</p> <p>Across the job levels in the firm, women are well represented in junior and mid-level staff groups, 56% and 55% respectively. In the most senior level group, the representation of women is 32%.</p> <p>Our gender pay gap analysis, which compares average base pay of men and women across all positions in three groups - junior staff, mid-level staff and senior staff - shows that the pay gap increases according to seniority, although in 2021 the gap at the most senior level reduced by 2% on the prior year. At the junior level, the gap is 5.3%, rising to 12.7% at the mid-level staff, and to 16.1% at the most senior level. The firm's low staff turnover and infrequent hiring into senior roles are major reasons why these gaps exist.</p> <p>We remain focused on increasing the number of women in our business, especially at senior levels, and to the continued examination of in-level pay differences, including using robust external pay benchmarking data. Our ongoing review of our working patterns will enable more flexible working and part-time working and allow us to expand our talent pool. We are paying particular attention to opportunities to raise Impax's diversity when assessing new potential recruits. Our Equality,</p>

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		<p>Diversity & Inclusion Group has prioritised gender as a key area of attention.</p> <p>Our equality, diversity and inclusion vision is to continue to build an inclusive, equitable culture where everyone feels they belong, are valued as an individual, and can thrive.</p> <p>We remain focused on increasing the number of women and racial and ethnic minorities, especially at senior levels, and to equal pay across the firm. The Company made strong progress in executing its strategy during the financial year ended 2021.</p> <p>Our Equality, Diversity & Inclusion Group (“E,D&I Group”) is responsible for our strategy in this area and reports regularly to the Board. It is co-chaired by Ian Simm, Chief Executive, and Joe Keefe, President, Impax North America, with Lindsey Brace Martinez as its Non-Executive Director sponsor.</p> <p>We articulated two new E,D&I goals for December 2025:</p> <ul style="list-style-type: none"> • That Impax’s overall workforce gender mix should be circa 50% (48-52%) women. • The representation of women and racial/ethnic minorities in senior management, portfolio management, and client-facing roles should meaningfully exceed relevant industry averages in Impax’s primary locations (UK and US). We also set E,D&I goals in managers’ objectives and performance evaluations.

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		<p>We created an E,D&I statement for our third-party recruiters, setting out our expectations that we should assess diverse pools of candidates and finalists.</p> <p>We commenced our gender data analysis of selection pools, with plans to extend this analysis to cover race/ethnicity in the coming year.</p> <p>A group of 50 hiring managers attended an interviewing masterclass designed to create an optimal experience for candidates, promote objectivity and guard against bias. We subscribed to a third-party software to help ensure the language we use in recruitment postings appeals to diverse audiences.</p> <p>In addition, we became members of the Diversity Project, lead sponsors of the City Hive mentorship scheme and participated in the 100 Black Interns Programme for a second year.</p> <p>For more information, please see the Strategic Report: Our People section on pages 44 - 49 of our Report and Accounts for the year ended 30 September 2021.</p> <p>The Group encourages feedback from our clients through our Client Service and Business Development team including engagement through client events, written communications and social media.</p>
4. Embed effective risk management, considering both opportunities and	The board needs to ensure that the company's risk management framework	Impax has adopted an ongoing risk management framework taking into

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<p>threats, throughout the organisation</p>	<p>identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.</p> <p>Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).</p>	<p>account the key principles of risk identification, risk measurement, risk mitigation, risk monitoring and reporting.</p> <p>The Board strives to achieve a balance between appropriate levels of risk and return and to ensure that the risks taken by the firm are appropriately managed.</p> <p>Although the Board sets the overall business risk strategy and appetite, all staff are responsible for identifying, monitoring and reviewing risks across their team and business functions. The Chief Risk Officer is responsible for maintaining an enterprise risk management framework including an on-going programme to monitor internal controls and processes designed to mitigate the risks identified. This includes reporting to the Group's Audit and Risk Committee on a quarterly basis.</p> <p>Pages 63 - 67 of the Strategic Report section of our Report and Accounts for the year ended 30 September 2021 set out key risks and how they are managed. Financial risk management is further discussed at pages 120 - 122 of the Financial Statements section of our Report and Accounts for the year ended 30 September 2021.</p> <p>The Board considers risk to the business at its quarterly Board meetings. The risk register is updated at each meeting of the Audit and Risk Committee. The Company formally reviews and documents the principal risks</p>

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		<p>to the business at least annually.</p> <p>The Audit & Risk Committee has received and considered reports from the Chief Risk Officer and Head of Risk Management, at each of its Meetings and reviewed all material risk events and associated reviews of the control environment.</p> <p>The Audit & Risk Committee has overseen the review and approval of a revised Risk Appetite Statement and continues to monitor the Group capital adequacy framework, most notably the 2021 transition from the Group's ICAAP to a new ICARA process. The Group uses Grant Thornton to provide internal audit services who complete internal audits of both business functions and cross-functional topics. Grant Thornton presented a new four-year internal audit programme for Committee approval in November 2021.</p> <p>The Group uses an online system called EthicsPoint, to facilitate the anonymous reporting of concerns or more serious allegations, such as fraud or other financial crimes, to independent senior managers for review and investigation.</p>

MAINTAIN A DYNAMIC MANAGEMENT FRAMEWORK

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5. Maintain the board as a well- functioning, balanced	The board members have a collective responsibility and	The Board deals with all aspects of the Company's affairs including

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<p>team led by the chair</p>	<p>legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.</p> <p>The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.</p> <p>The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors. Independence is a board judgement.</p> <p>The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.</p> <p>Directors must commit the time necessary to fulfill their roles.</p>	<p>setting and monitoring strategy, reviewing performance, ensuring adequate financial resources are in place and reporting to shareholders. The Board reserves these and other specific matters for its own decision. Operational decisions are delegated to the Chief Executive and senior management.</p> <p>The Board consists of a Non-Executive Chair, four Non-Executive Directors and the Chief Executive. Throughout the year the position of Chair and Chief Executive were held by separate individuals. There is a clear division of responsibilities between the Chair and Chief Executive. The Non-Executive Chair is responsible for the running of the Board.</p> <p>The Board has appointed one of the Non-Executive Directors (Vince O'Brien) to act as the Senior Independent Director. The Board considers that the Chair Sally Bridgeland and three of the other Non-Executive Directors (Vince O'Brien, Simon O'Regan and Lindsey Brace Martinez) are independent as envisaged by the QCA Code.</p> <p>Lindsey Brace Martinez was paid £76,750 in 2018 for consultancy services. The Company carefully considered the engagement of Ms Martinez for the provision of these services, and selected her based on her deep experience in the area and her familiarity with the Company's operations.</p> <p>The services provided by Ms Martinez were valued but have not been material to the Company, and it was a one-off engagement. The work involved co-ordinating a market positioning review following the announcement of the acquisition by the Company of Pax World Management LLC. The</p>

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		<p>Company does not consider the fee paid to Ms Martinez to be material, representing a <i>de minimis</i> proportion of the Company's revenue and expenses for the relevant financial year.</p> <p>The QCA Code states that deciding whether a director is deemed to be independent is a board judgement. Having done so, the Board is of the view that Ms Martinez should be treated as an independent director and a disclosure to that effect is made in the Annual Report. A disclosure was also made of the fees paid to Ms Martinez in the 2019 Annual Report. The Board re-evaluates the independence of its directors on a regular basis.</p> <p>Arnaud de Servigny is not considered to be independent as he represents a significant shareholder. Arnaud de Servigny is no longer a member of the Remuneration Committee and the Audit & Risk Committee, but participates as an observer at both Committee meetings.</p> <p>The Non- Executive Directors do not participate in any bonus schemes or share ownership schemes and their appointments are non-pensionable.</p> <p>The Board's committees are discussed below. The Board considers the skills and knowledge of individual members of each committee upon appointment and periodically, to ensure that each committee includes members with appropriate expertise and who are able to offer an independent outlook.</p> <p>The Company anticipates a time commitment from the Non-Executive Directors of twenty days per annum. This includes attendance at regular Board meetings, participation in the Audit</p>

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		<p>and Risk and Remuneration Committees and a number of regular meetings to review and discuss progress with the executive team. The Chief Executive works full time in the business and has no other significant outside business commitments.</p> <p>Details of the number of meetings of the Board (and any committees) during the year, together with the attendance record of each director, are included in the appendix to this document and are also included on page 75 of the Governance section of our Annual Report and Accounts for the year ended 30 September 2021.</p> <p>The Non-Executive Directors and Chair all have or have had senior executive experience and offer insightful judgement on Board matters.</p> <p>There is a rigorous procedure to appoint new Directors to the Board which is led by the Chair. At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the Board works as a unit and other factors relevant to its effectiveness.</p> <p>All Directors receive detailed Board papers and reports sufficiently in advance of meetings to enable a proper review and have unlimited access to the advice and services of senior management should further information be required. There is provision for Board members to solicit professional advice on Board matters at the Company's expense.</p>
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and	Pages 72 - 73 of the Governance section of the Annual Report and Accounts for the year ended 30 September 2020 describe the Board Directors' previous roles and experience, current external

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	<p>capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.</p> <p>The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.</p> <p>As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.</p>	<p>appointments and qualifications and experience. Their biographies also appear on the Company's website.</p> <p>Our Non-Executive Director group has a diverse mix of skills and experience gained through their many years in senior positions across the investment management industry and broader global financial services sector.</p> <p>At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the Board works as a unit and other factors relevant to its effectiveness.</p> <p>Where new Board appointments are considered, the search for candidates will be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender. The Board also considers succession planning.</p> <p>The Board carries out an evaluation of its performance annually. Board members maintain their skillsets through practice in day-to-day roles, enhanced with attending specific training where required. This is a combination of in-house company arranged briefings and external training.</p> <p>The Company Secretary and Chief Compliance & Risk Officer (Europe) supports the Chair in addressing the training and development needs of Directors.</p> <p>The Board uses external advisors where necessary to enhance knowledge or to gain access to particular skills or capabilities. Accountants and lawyers are used for diligence work on acquisitions.</p>

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		Specialist advisors have also been used by the Board to ensure compliance in specific areas such as internal audit, remuneration and regulatory compliance.
<p>7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.</p> <p>The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.</p> <p>It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.</p>	<p>The Board carries out an evaluation of its performance annually.</p> <p>Formal evaluations are carried out to assess the performance of the Board and the individual Directors which is led by the Chair. The Board also completes an evaluation of the Chair's performance which is led by the Senior Independent Director. The Board Committees also assess the performance, with such process led by the Committee Chairs.</p> <p>Areas of focus in the discussions included:</p> <ul style="list-style-type: none"> • in light of continued strong business growth, the increasing importance of maintaining the Company's culture and values, talent management and resourcing; ; • development of the Board's non-financial goals and risk appetite; • evolution of the Board and Committee agendas to reflect the Company's increasing size and complexity; • the role and responsibilities of the Chair; • further ways the Directors can support the Executive by drawing on their insight and experience. <p>For the process this year the Chair updated the evaluation questionnaires to take account of feedback from last year's exercise and to assess whether the priority issues identified last year had been addressed.</p>

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		<p>The steps in the process were similar to the prior year. Directors completed online questionnaires which were followed up with discussions with the Chair. The evaluations confirmed a high rating for performance. Directors noted that their colleagues were engaged with the Company's agenda, contributed well in Board meetings and that the papers were of high quality, inviting discussion and constructive challenge.</p> <p>The Board was satisfied that the issues raised in the previous year's evaluation had been addressed, including having greater clarity around both the financial goals for the business for the next three to five years and the further enhancement of the Company's risk appetite framework. The Board's annual strategy discussions focused on the business plan, opportunities in North America and other geographical markets and succession planning across the firm.</p> <p>The Board will continue to monitor its approach to the evaluation of effectiveness including the use from time to time of external facilitation.</p> <p>All Directors are subject to reappointment by shareholders at the first opportunity after their appointment and thereafter at intervals of no more than three years.</p> <p>There is a rigorous procedure to appoint new Directors to the Board which is led by the Chair. At appropriate times the Board considers the balance of skills, experience, independence and knowledge of the Group on the Board and its diversity, how the</p>

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		<p>Board works as a unit and other factors relevant to its effectiveness. The Board also considers succession planning in respect of all key executive Directors and senior staff, which is taken into account in determining the appointment of new Directors.</p> <p>In December 2020 the Company announced Keith Falconer's retirement as Chairman and Sally Bridgeland appointment as Chair. Impax also announced the appointment of Simon O'Regan to the Board as Non-Executive Director. Simon sits on the Company's Audit & Risk and Remuneration Committees. He was previously CEO of Mercer's US business before his retirement in 2017 and is a highly-experienced investment industry Non-Executive Director and business leader with in-depth knowledge of international markets, including the United States.</p>
<p>8. Promote a corporate culture that is based on ethical values and behaviours</p>	<p>The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.</p> <p>The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team.</p> <p>Corporate values should guide the objectives and strategy of the company.</p> <p>The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward</p>	<p>The Board seeks to lead by example to ensure that Impax's working environment is high-performance while being supportive for staff and compliant with applicable regulations. The Company publishes on its website public statements on its culture and values which are set out below.</p> <p><i>Our Mission</i></p> <p>To generate superior, risk-adjusted investment returns from opportunities arising from the transition to a more sustainable economy for clients with a medium to long-term horizon; To make a contribution to the development of a sustainable society, particularly by supporting or undertaking relevant research and engaging or collaborating with others; To provide a stimulating, collaborative</p>

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	<p>system should endorse the desired ethical behaviours across all levels of the company.</p> <p>The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.</p>	<p>and supportive work-place for our staff.</p> <p><i>Our Values</i></p> <p>Be the solution:</p> <p>Our core focus and motivation is to offer solutions. It defines the investment approach we offer our clients, the contribution we make to the broader global community and the attitude we bring to work each day.</p> <p>A passion for excellence:</p> <p>We are passionate about our mission and our work. We strive for excellence in everything we do. We hold ourselves to high standards and trust each other to share these aspirations and contribute to the results.</p> <p>All voices valued:</p> <p>We make better decisions if we are diverse and inclusive. All voices are welcomed and all voices are heard. We aspire to a dynamic culture that embraces change and inspires the evolution of new ideas.</p> <p>Doing better together:</p> <p>We believe we can do far more, far better, working together as a team. True collaboration means treating others as we want to be treated. We value and respect our colleagues, clients and partners, their families and the wider community. We are all interconnected and cannot hope to succeed alone.</p> <p>Building a common future:</p> <p>We have a responsibility to promote prosperity while protecting the planet. We are committed to sustainable development, and to stewarding our environmental and</p>

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		<p>societal impact for the benefit of current and future generations.</p> <p>Integrity and appropriate conduct are an integral part of the Impax culture and values, and all our business dealings. The Company undertakes regular review and monitoring of its policies in specific areas such as anti-bribery and corruption, anti-money laundering, Code of Ethics compliance, conflicts of interest, whistleblowing and information security. The Group uses an online system called EthicsPoint, to facilitate the anonymous reporting of concerns or more serious allegations, such as fraud or other financial crimes, to independent senior managers for review and investigation.</p> <p>We enjoy a strong collegial culture which continues to evolve. We value meritocracy, openness, fairness and transparency.</p> <p>This year the Company continued to enhance our working environment and culture by further embedding our values and behaviours framework into all core people processes - including hiring, appraisals, development and rewards.</p> <p>In April 2021 the Group carried out an employee engagement survey. This generated very positive results against a challenging backdrop of global uncertainty. The Group achieved an overall engagement score of 88%, 14 points above the industry benchmark, based on a 96% employee response rate. This resulted in Impax winning a 5-star employer rating from WorkBuzz, the survey organiser.</p> <p>Gender is a key facet of our overall equality, diversity and inclusion agenda. We believe a diverse</p>

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		<p>workforce, where people feel a sense of inclusion, belonging and acceptance, can improve creativity and problem-solving, resulting in better decisions, more positive results, and greater innovation. We are focused on helping all colleagues reach their full potential and on addressing inclusion holistically, on the basis that none of us is defined by one aspect of our identity alone.</p> <p>Our equality, diversity and inclusion vision is to continue to build an inclusive, equitable culture where everyone feels they belong, are valued as an individual, and can thrive. We remain focused on increasing the number of women and racial and ethnic minorities, especially at senior levels, and to equal pay across the firm. The Company made strong progress in executing its strategy during the financial year ended 2021.</p> <p>Our Equality, Diversity & Inclusion Group (“E,D&I Group”) is responsible for our strategy in this area and reports regularly to the Board. It is co-chaired by Ian Simm, Chief Executive, and Joe Keefe President, Impax North America, with Lindsey Brace Martinez as its Non-Executive Director sponsor.</p> <p>We articulated two new E,D&I goals for December 2025:</p> <ul style="list-style-type: none"> • That Impax’s overall workforce gender mix should be circa 50% (48-52%) women. • The representation of women and racial/ethnic minorities in senior management, portfolio management, and client-facing roles should meaningfully exceed relevant industry averages in Impax’s primary locations (UK and US).

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		<p>We also set E,D&I goals in managers' objectives and performance evaluations.</p> <p>We created an E,D&I statement for our third-party recruiters, setting out our expectations that we should assess diverse pools of candidates and finalists.</p> <p>We commenced our gender data analysis of selection pools, with plans to extend this analysis to cover race/ethnicity in the coming year.</p> <p>A group of 50 hiring managers attended an interviewing masterclass designed to create an optimal experience for candidates, promote objectivity and guard against bias. We subscribed to a third-party software to help ensure the language we use in recruitment postings appeals to diverse audiences.</p> <p>In addition we became members of the Diversity Project, lead sponsors of the City Hive mentorship scheme and participated in the 100 Black Interns Programme for a second year.</p> <p>For more information please see the Strategic Report: Our People section on pages 44 - 49; and Impax in the Community on pages 50 - 54, of our Report and Accounts for the year ended 30 September 2021.</p>
<p>9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p>	<p>The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:</p> <ul style="list-style-type: none"> • size and complexity; and • capacity, appetite and tolerance for risk. <p>The governance structures</p>	<p>Pages 74 - 85 of the Governance section of our Report & Accounts for the year ended 30 September 2021 detail the Company's governance structures and why they are appropriate and suitable for the Company. It includes a description of the role and responsibilities of the Audit and Risk Committee and Remuneration Committee. The full terms of reference for both Committees are</p>

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	<p>should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company</p>	<p>included on the Company's website.</p> <p>In December 2020, Sally Bridgeland succeeded Keith Falconer as Chair of the Company. Sally stepped down from the Audit & Risk Committee, on which she served as Chair. This position was assumed by Vince O'Brien, who stepped down as Chairman of the Remuneration Committee. Lindsey Brace Martinez replaced Mr O'Brien as Chair of the Remuneration Committee.</p> <p>Vince O'Brien (Chair), Lindsey Brace Martinez and Simon O'Regan comprise the Audit and Risk Committee. Lindsey Brace Martinez (Chair), Sally Bridgeland, Vince O'Brien and Simon O'Regan make up the Remuneration Committee.</p> <p>The QCA Code recommends that all members of a remuneration committee must be independent. Arnaud de Servigny is not considered to be independent because he is a representative of a significant shareholder. However, the Board had determined that it was appropriate for Arnaud de Servigny to serve on the Remuneration Committee on account of his independence from the executive function of the Group. Arnaud de Servigny retired as a member of the Remuneration Committee in February 2021. All members of the Remuneration Committee are now considered to be independent in accordance with the recommendations of the QCA Code.</p> <p>The Board deals with all aspects of the Company's affairs including setting and monitoring strategy, reviewing performance, ensuring adequate financial resources are in place and reporting to shareholders. The Board reserves these and other specific matters for</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
		<p>its own decision.</p> <p>Operational decisions are delegated to the Chief Executive and senior management. The Non-Executive Chair has overall responsibility for the running of the Board.</p> <p>Lindsey Brace Martinez is the Board Sponsor of the Company's ED&I activities.</p> <p>Vince O'Brien is the Board Sponsor of the Environment Committee and attends its quarterly meetings.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times.</p> <p>The Board is committed to a process of continuous improvement in its governance approach and aims to enhance and develop compliance with best practice.</p>

BUILD TRUST

QCA Code Principle	Application (as set out by QCA)	Our approach
<p>10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.</p>	<p>A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.</p> <p>In particular, appropriate communication and reporting structure should exist between the board and all constituent parts of its shareholder base. This will assist:</p> <ul style="list-style-type: none"> the communication of shareholders' views to the 	<p>Communication practices are described below and also at pages 71 and 77 of the Governance section of our Report and Accounts for the year ended 30 September 2021.</p> <p>The Company reports formally to shareholders at the half-year and year end. The Company engages with its shareholders through formal meetings, informal communications and through stock exchange announcements and financial</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
	<p>board; and</p> <ul style="list-style-type: none"> the shareholders' understanding of the unique circumstances and constraints faced by the company. <p>It should be clear where these communication practices are described (annual report or website).</p>	<p>reporting.</p> <p>At the Annual General Meeting of the Company, a presentation is usually given and Directors are available to take questions, both formally during the meeting, and informally after the meeting. The Board recognizes the Annual General Meeting as an important opportunity to meet private shareholders.</p> <p>The Chief Executive, Chair and/or Senior Independent Director are available for dialogue with major shareholders on the Company's plans and objectives and meet with them at appropriate times. Management (typically the Chief Executive and Chief Financial Officer) meet formally with institutional shareholders and analysts, usually after the interim and final results announcements, presenting Company results, articulating strategy and updating shareholders on progress.</p> <p>The Company encourages communication with both its institutional and private investors and responds promptly to queries received. The Chief Executive talks regularly with the Group's major shareholders and ensures that their views are communicated fully to the Board.</p> <p>Where voting decisions are not in line with the Company's expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main</p>

QCA Code Principle	Application (as set out by QCA)	Our approach
		<p>point of contact for such matters.</p> <p>Reports from both the Audit and Risk and Remuneration Committees, including a description of the work of both Committees during the year, are set out on pages 81 - 82 and 83 - 85 respectively of the Governance section of our Report and Accounts for the year ended 30 September 2021.</p> <p>The Investor Relations section of the Company's website includes the outcomes of shareholder votes cast at general meetings and historic annual accounts and general meeting notices over the last 5 years.</p> <p>Where a significant proportion of votes (e.g 20% of independent votes) have been cast against a resolution at a general meeting, the Company will include on its website, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote results, and, where appropriate, any different action is has taken, or will take, as a result of the vote.</p>

Appendix – Board and Committee
Attendance

Meeting Attendance	Board	Audit & Risk Committee	Remuneration Committee
Total Number of meetings	10	5	4
Ian Simm	10	1 as observer	4 as observer
Vince O'Brien	10	4 as member	3 as member
Sally Bridgeland ¹	10	1 as member, 4 as observer	4 as member
Lindsey Brace Martinez	10	5 as member	4 as member
Simon O'Regan ²	9	4 as member	1 as member
Arnaud de Servigny ³	10	2 as member, 3 as observer	4 as member
Keith Falconer ⁴	1	1 as observer	2 as observer

¹ Retired as member of Audit & Risk Committee 8 December 2020. Following this, attends as an observer.

² Appointed as Board member and member of Audit & Risk Committee and Remuneration Committee 8 December 2020.

³ Retired as member of Audit & Risk Committee and Remuneration Committee 19 February 2021. Following this, attends as an observer.

⁴ Retired 8 December 2020.