



Impax Environmental Markets plc ("IEM")

Sustainability goal

The investment objective of IEM is to enable investors to benefit from growth in the markets for cleaner or more efficient delivery of basic services of energy, water, and waste. Investments are made predominantly in quoted companies which provide, utilise, implement, or advise upon technology-based systems, products or services in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management (which includes sustainable food, agriculture and forestry). IEM follows a thematic approach which means that it invests in companies providing solutions to specific environmental challenges. To qualify for IEM's investable universe, companies must provide solutions within the environmental markets described above and must generate at least 50% of their revenues from systems, products or services in such environmental markets. The intended impacts of each of the environmental markets are as follows:



Alternative energy and energy efficiency

Addressing climate change



Waste technology and resource management

Improving resource efficiency by enabling a more circular economy



Water treatment and pollution control

Access to clean water, increasing water availability and quality through water technology and infrastructure.

The Investment Manager measures the product's progress towards achieving its sustainability goal by utilising the Key Performance Indicators ("KPIs") as described under the "Sustainability Metrics" section of this document. The Investment Manager continues to use its stewardship framework which is supporting IEM in delivering on its sustainability objective and progress on the specific KPIs in place (see "Engagement and Stewardship" section of this document).

The Investment Manager uses its Corporate Resilience Analysis and norms-based screening (as described under the "Investment Policy and Strategy" section in the Investment Manager's Pre-Contractual Disclosures document for IEM) to assess an investee company's eligibility for investment. This is done to avoid material negative impacts associated with investments, although there is still a risk of a negative effect in environmental and/or social outcomes. In addition, while the Investment Manager seeks to manage risks via the above-mentioned processes there is still a risk of a negative effect on the value of an investment (and hence on the net asset value of IEM and on its returns). Further details of the Investment Manager's process are contained in IEM's Pre-Contractual Disclosures document.

Consumer-facing disclosures ("CFD")

This document provides sustainability related information for consumers in relation to Impax Environmental Markets plc. For details about the investment goals of IEM, please refer to the KID and Annual Report.

Key facts

Manager name

Impax Asset Management (AIFM) Limited (the "Investment Manager")

Product name

Impax Environmental Markets plc ("IEM")

Date

3/12/25

Product identifier

213800RAR6ZDJLZDND86

Sustainability label



Label descriptor

IEM invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet.

Sustainability approach

Investments are selected on an individual basis, but each investment is categorised according to the three above mentioned primary environmental markets that are the focus of the IEM's investment policy: (i) alternative energy and energy efficiency; (ii) waste technologies and resource management; (iii) water treatment and pollution control.

IEM invests in companies where at least 50% of the underlying revenues are generated by sales of systems, products or services that provide solutions in the environmental markets as specified in the Sustainability Goal above. To identify and determine the sustainability characteristics of the investee companies the Investment Manager uses a clearly defined and proprietary classification system or in-house taxonomy, (the "Environmental Markets Taxonomy"). The exposure of a stock to revenue resulting from relevant activities is assessed pre-investment (and on an on-going basis) and is confirmed and documented by the Investment Manager. As the environmental markets have expanded, there have been new universe entrants as well as companies leaving the universe due to both merger and acquisition activity, and due to the de-emphasis of environmental activity within businesses' product portfolios. In addition, the revenue screen process is rerun periodically, currently annually.

IEM will invest a minimum of 70% of its gross asset value in accordance with the sustainability goal. Where a company passes the 50% revenue test the whole value of the holding in the company will count towards this 70% test (i.e., the 70% test is calculated on a "pass/fail" basis).

Cash, cash equivalents, derivative transactions, and exchange traded or money market funds, may be (but are not required to be) used for treasury or liquidity purposes, or for hedging/efficient portfolio management purposes. The Investment Manager has a fossil fuel policy in place. In an effort to mitigate or eliminate risks, the Investment Manager will only invest in energy and utility companies where it has determined that the companies have credible plans to attain the goal of net zero greenhouse gas emissions by 2050 or sooner, and in line with the Investment Manager's fossil fuel policy, details of which are available here (Fossil Fuel Policy - Impax Asset Management (impaxam.com)).

In addition to the above, the Investment Manager uses its Corporate Resilience Analysis to assess an investee company's eligibility for investment and to assess any controversies identified. This analysis aims to identify the quality of governance structures, the most material environmental and social harms for a company or issuer and assesses how well these harms are addressed and managed. In line with this, the Investment Manager also complies with global standards and norms as part of its investment requirements using a Global Standards Screening tool.

Engagement and stewardship

As set out in detail under the "Theory of Change" section in the Pre-Contractual Disclosures document, in supporting the delivery of positive impact from the Investment Manager's investment activities, the Investment Manager has a stewardship approach in place through which it can achieve positive outcomes and ultimately real-world impact, supporting IEM in seeking to deliver on its sustainability goal. The Investment Manager monitors and publicly reports on the outcomes as a result of its engagement activities.

Sustainability metrics

The Investment Manager uses the following KPIs to monitor and demonstrate IEM's performance and progress towards meeting its sustainability goal.

Alternative energy and energy efficiency	Waste technology and resource management	Water treatment and pollution control
Addressing climate change: (i) Avoided GHG emissions (tCO ₂ e); (ii) Renewable electricity generated (MWh).	Improving resource efficiency by enabling a more circular economy: Materials recovered/waste treated (tonnes).	Access to clean water, increasing water availability and quality through water technology and infrastructure: Volume of water provided/saved/treated (megalitres).

For more information on the calculation methodologies please refer to the Pre-Contractual Disclosures document for IEM. The product continues to progress towards its sustainability objective. Please refer to IEM's latest Half-yearly Financial Report where the latest KPI metrics have been reported, available within the Documents section at <https://www.iemplc.co.uk/>. The Investment Manager continues to use its stewardship approach which is supporting IEM in delivering on its sustainability objective and progress on the KPIs (see "Engagement and Stewardship" section of this document). Engagement over the period has covered seeking greater operational and product efficiencies, and enhanced practices for pollution, waste and water management. More details will be provided in the annual sustainability report for IEM under the Sustainability Disclosure Requirements, which will be published in 2026.

Further details

Pre-Contractual Disclosures	https://cdn.iemplc.co.uk/app/uploads/2025/06/pre-contractual-disclosure.pdf
Part B Product Report	At the time that the CFD is first produced, an ongoing product-level sustainability report does not exist.
Entity report (on IPX)	At the time that this CFD is first produced, an entity report is yet to be published.
Further information and useful links	This document does not include sufficient detail to enable the recipient to make an informed decision to invest. Please refer to the latest Annual Report which sets out more detail relating to IEM as well as the AIFM Disclosure Document available here AIFM-disclosure.pdf . Further information is available here http://www.iemplc.co.uk/how-to-invest Investors can invest either through the purchasing of shares through a stockbroker, bank or other financial intermediary, or through investment platforms.