

Impax Environmental Matters plc (the “Company”)

Sustainability Reporting Committee (the “Committee”)

Terms of Reference

These terms of reference are issued to the Sustainability Reporting Committee (the “Committee”).

The Sustainability Reporting Committee has been set up by the Board to consider and help it to establish the relevance to the Company of the growing body of sustainability issues. The Committee will receive reporting from the Manager regarding its sustainability activities as they relate to the Company’s portfolio, the outcomes of such activities and its sustainability metrics. The Committee will review and discuss the relevance of such activities and metrics in meeting the Company’s sustainability strategy and stakeholders’ expectations, and will make recommendations to the Board and oversee the Company’s regulatory and voluntary sustainability reporting.

MEMBERSHIP

The Committee consists of independent directors. Additional members of the Committee will be appointed by the Board in consultation with the Committee.

The Committee shall consist of at least three members, who should all be independent non-executive directors.

The Board shall appoint the Committee Chair. The Chair of the Board may be a member of the Committee and may be its Chair, provided he/she was independent upon appointment. In the absence of the Committee Chair and/or an appointed deputy, the remaining members shall elect one of themselves to chair the meeting.

Members shall be provided with appropriate and timely training, both for new members and on an ongoing basis for all members.

SECRETARY

A representative of the Company Secretary or his/her nominee shall act as Secretary of the Committee.

MEETINGS AND ATTENDANCE

The Committee shall meet at least twice each year.

The quorum at the meetings shall be two members of the Committee.

Members of the Committee may regulate their meetings and conduct business in accordance with the Company’s articles of association as amended from time to time.

The Chair of the Committee should attend the Annual General Meeting (in their absence at least one other member of the Committee should attend) and be prepared to respond to shareholder questions on the Committee’s activities and should seek engagement with shareholders on significant matters related to their areas of responsibility.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

Video conferencing or teleconferencing may be used as appropriate.

AUTHORITY

The Committee should be provided with sufficient resources to undertake its duties. The members of the Committee are authorised to seek any information that they require from the Manager or Company Secretary and to obtain advice from the Company’s external auditors, professional advisers or otherwise and to take independent professional advice and to request the Manager or Company Secretary, at the expense of the Company, to attend meetings of the Committee in order to obtain such information or advice.

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

DUTIES, MAIN ROLE AND RESPONSIBILITIES

The Committee will at all times comply with the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the UK, as appropriate, and the recommendations of the AIC Code of Corporate Governance and any other applicable law or regulation. In particular the duties, main role and responsibilities of the Committee are:

- identify and propose to the Board suitable sustainability metrics, initiatives and labels;
- monitor developments and emerging best practice in approaches to sustainability and proactively make recommendations to the Board for enhancements to the Company's approach;
- oversee the Company's sustainability reporting (both standalone reporting and reporting within the half-yearly and annual reports) including but not limited to disclosures relating to the Task Force on Climate-Related Financial Disclosures ("TCFD") and the Task Force on Nature-Related Financial Disclosures ("TNFD") prior to submission to the Board;
- provide information and advice to support the Board and Audit Committee in relation to sustainability disclosures, as required;
- ensure a good dialogue with the Company's stakeholders including, but not limited to, the portfolio investments, the investors, regulators, and fund labelling authorities on sustainability matters is maintained; and
- provide support, input and guidance to the Manager on sustainability matters, as appropriate.

REPORTING PROCEDURES

The Committee Chairman will report to the Board on how the Committee has fulfilled its duties and discharged its responsibilities.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit, where action or improvement is needed.

The Secretary will circulate the minutes of all meetings to the members of the Committee.

The Committee shall produce a report on its composition and activities to be included in the Company's annual report, as required.

Approved by the Board on 7 November 2022