Meeting of the Trustees Finance and Audit Committee
Thursday, January 16, 2020 at 8:00 a.m.
Central Library in Copley Square, Kirstein Business Library-Exchange
700 Boylston Street, Boston, MA 02116

AGENDA

I. Welcome
   Evelyn Arana-Ortiz, Chair

II. Review and Approval of Meeting Minutes from November 12, 2019
    Evelyn Arana-Ortiz, Chair

III. Review and Approval of Contracts
     Evelyn Arana-Ortiz, Committee Chair

IV. Interview prospective investment manager, Impax Asset Management, Thematic Equity Portfolio, focusing on global equity strategies.
    Sebastian Grzejka, NEPC
    David Richardson, Executive Director, Impax Client Service and Business Development
    Melissa Planter, Vice President, Impax Institutional Business Development
    Nicola Fritz, Impax Portfolio Specialist

    * A vote to recommend approval to the Board of Trustees may follow accordingly.

V. New Business

VI. Public Comment

VII. Adjournment

Next meeting is scheduled for Thursday, March 12, 2020 at Central Library, 8:00 a.m.
*Meeting is subject to change

Trustees of the Public Library of the City of Boston
Robert Gallery, Chair; Evelyn Arana-Ortiz, Vice Chair
Zamawa Arenas, Jabari Asim, Ben Bradlee, Jr., Cheryl Cronin, Linda Dorcena Forry,

President, David Leonard
Clerk of the Board, Pamela Carver

This is an open meeting; the public is welcome to attend; for information: www.bpl.org
A meeting of the Boston Public Library Trustees Finance and Audit Committee was held on Tuesday, November 12, 2019 at the Central Library in the Kirstein Business Library-Exchange.

Members present at the meeting included: Committee members, John Hailer, Jeff Hawkins, and President David Leonard. Not present: Zamawa Arenas and Committee Chair Evelyn Arana-Ortiz (who participated via conference call).

Also present were Boston Public Library staff including Ellen Donaghey, Chief Financial Officer, Pamela Carver, Clerk of the Board, other BPL staff members, and members of the public.

The meeting of the Trustees Finance and Audit Committee (“Committee”) was called to order at 8:05 a.m. by Ms. Arana-Ortiz with a roll call and determined there was a quorum. Ms. Arana-Ortiz welcomed Trustee Jeff Hawkins to his first committee meeting since being appointed. She noted for the record that she was not eligible to vote since she was not physically present and participating via conference call. The first matter of business was review and approval of Meeting Minutes from October 1, 2019. With no edits or comments, a motion was duly made, seconded and the meeting minutes were approved.

Next, Ellen Donaghey was asked to review the contracts. Ms. Donaghey explained the first contact is for an extension of the existing Retro conversion pilot that we just did. The contract is for eighty five thousand dollars ($85,000) to extend the pilot for one more year. She explained that the Library intends to use the data from this pilot to ask the City for capital funding for a larger retroconversion project. Mr. Tom Blake, Manager of Content Discovery, explained that since March, his team has been working with The Donohue Group who were awarded the bid for the Retro Conversion Pilot program. He explained that this process involves going through a substantial number of the BPL’s older books that are not in the electronic card catalogue. This pilot is designed to generate statistics and numbers to get an accurate idea of how to proceed with extending this project. He went on to say when the original RFP was presented, there were only 2 companies that responded and The Donohue Group received the highest score in the evaluation process. He explained that this process involves going through a substantial number of the BPL’s older books that are not in the electronic card catalogue. This pilot is designed to generate statistics and numbers to get an accurate idea of how to proceed with extending this project. Mr. Blake explained they are already seeing some benefits from the work done, and explained moving forward they have dual priorities; to make sure that books can be accessioned into the high density storage and in turn save on a lot of space. Second, outside of rare books, these are the oldest books in our collection and once catalogued, it will be easier to determine which of them should be moved into more secure environments.
VOTED: “that, the Trustees Finance and Audit Committee of the Boston Public Library approve The Donahue Group, Incorporated of 41 Mechanic Street, Windsor Connecticut 06095 for the second phase of the Retrospective Conversion pilot program contract in the amount of eighty four thousand nine hundred ninety nine dollars and eighty six cents ($84,999.86) to create and upload MARC records for Boston Public Library books not presently represented in the Library’s online catalog.”

Ms. Donaghey explained the next vote is to approve a contract with EdTech Strategies, a firm the Library has worked with for the last two years to assist with the eRate funding submission. It is for forty thousand dollars ($40,000). With no questions a motion was duly made, seconded and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract with EdTech Strategies, LLC of 4805 147th Street, Urbandale, Iowa 50323, in the amount of forty thousand dollars ($40,000) to assist with the development of the eRate Funding Year 2020 submission.”

Ms. Donaghey then discussed a contract with Arrowstreet, Inc., an architectural and design firm that worked on the design for the Johnson Project. In response to patron requests, the Library is working with The Catered Affair (TCA) to begin selling gift items in the Newsfeed Café. Arrowstreet had approached the Library approximately two years ago with some design ideas. The Library worked with Arrowstreet and incurred just under $10,000 in costs for the first iteration of items for sale. This proposed contract would allow us to exceed the $10,000 threshold. The Library used a high estimate and believes that this will be a sufficient amount of funding for the coming year and beyond. no questions, a motion was duly made, seconded, and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve Arrowstreet Inc. of 10 Post Office Square Boston, Massachusetts 02109, an architecture and design company, for a contract in the amount of forty thousand dollars ($40,000) to provide design services for items to be sold at the Boston Public Library gift store.”

The next was the snow plowing contract for forty thousand dollars ($40,000). She explained this amount has been determined to be a sufficient amount to get through the winter season. The BPL has an obligation to open to the public the day after a storm, and additional capacity beyond facilities staff is needed to make sure all 25 locations are plowed in a timely manner helps. She explained we hire one company Anzalone Construction that we have used for several years. A motion was duly made, seconded, and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract with Anzalone Construction, PO Box 2622, Woburn, Massachusetts 01888, in the amount of forty thousand dollars ($40,000) to plow certain Boston Public Library Properties.”

Moving on, Ms. Donaghey explained the BPL is looking into the Northeastern University co-op program to hire a communications student for fifteen thousand dollars ($15,000) to work with the Communications team. Lisa Pollack, Chief of Communications, noted that, unlike interns, the co-op student will work 32-35 hours per week for 6 months, and was confident the co-op program would be an appropriate fit for improving her team’s capacity to raise BPL’s profile. A motion was duly made, seconded, and
VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a pilot program with the Cooperative Education program at Northeastern University, 360 Huntington Avenue, Boston, MA in the amount of fifteen thousand dollars ($15,000). The purpose of this pilot program will be to provide career experience to a Northeastern student for six months, and to offer Library departments the opportunity to undertake small projects for which they would not otherwise have the capacity.”

The final vote was for an open contract for book cleaning and mold remediation with Belfor Property Restoration. Ms. Irmscher explained they have used this vendor in the past, most recently for books that were being moved into storage during the Rare Books renovation. In this particular instance, the Library is asking for authorization up to one hundred thousand dollars ($100,000). The Collections Division is working an RFP to bid book cleaning and mold remediation work but in the interim, needs the ability to respond to mold outbreaks in a timely fashion. The committee had some discussion and asked several questions regarding mold remediation and the need for cleaning the collections in the future. The Committee determined they prefer to get quarterly updates to report back to the full Board of Trustees regarding this matter. With no further discussions, a motion was duly made, seconded and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston authorize a contract with BELFOR Property Restoration at 138 Bartlett Street, Marlborough, MA 01752, not to exceed one hundred thousand dollars ($100,000) to respond as needed to clean certain items in the Research Collection, authorization to end with award to vendor selected through an open bid process.”

Next, Ms. Arana-Ortiz called on Sebastian Grzejka of NEPC to review the BPL’s Asset allocation Impact Related investments. He explained this conversation is a continuation from the last few committee meetings. NEPC agreed to review the BPL’s asset allocations as it relates to exposure in areas such as fossil fuel holdings. The discussion is concerning whether an active manager which would seek to achieve both a financial return and societal contributions. Mr. Grzejka stated NEPC is recommending the committee consider Impax Asset Management, which has two potential funds that would fit this category. A second manager had been under consideration but changes at the firm resulted in NEPC withdrawing the recommendation. Mr. Grzejka explained the committee will need to make a two part decision, the first is a reaffirmation of the asset allocation approach overall and the second is whether to hire an active manager for this portion of the portfolio.

Mr. Grzejka reviewed the BPL’s portfolio noting that the endowment had great overall results over the last quarter from a performance basis. He gave a brief background on how the markets have been trending and performance over the last year.. He went on to discuss the benefits of active and passive management as well as some predictions on the market as well as the need to look at investments from the perspective of diversification of investments and the benefits of a long term view rather than looking at short term fluctuations. He reviewed the current target which represents a conservative return approach. The portfolio was recently adjusted to achieve a stronger risk adjusted return and be better positioned to take advantage of current market opportunities given recent discussions around impact investing and the potential for resulting manager changes, NEPC profiled two options for consideration should this occur. Mix A which looks to achieve a dual goal of maintaining the current risk and return profile, as well as including an allocation to impact strategies through a global equity allocation. In order to achieve the desired characteristics, both US and Non US equity have been reduced in favor of Global equity, which has the ability to allocate across both regions. Mix B represents a slightly more aggressive mix, however, also incorporates the impact investing theme through the global equity allocation. Further this mix increases equity overall, adjusts fixed income towards higher quality core bonds and lastly reduces GAA.
The resulting portfolio has a slightly higher return target to current, along with a higher standard deviation.

Mr. Grzejka reviewed the two manager for consideration, Wellington and Impax. As noted above, Wellington is no longer recommended as two founding partners have recently left the firm. Impax was founded in response to the many global issues and trends affecting the world approximately 30 years ago. They use both top down and bottom up research. From the top down they will use screens (and themes) to make sure each company fits various criteria.

The Committee went on to discuss each of the options and agreed with the proposed Mix A, and to bring in Impax Management. The Committee will interview the manager at the next meeting and bring their recommendation to the Board of Trustees for a vote.

Ms. Arana-Ortiz asked for new business for which there was none. She asked for Public Comment. David Vieira of the City-Wide Friends Group noted that the address of the plowing contract was a PO Box and that vendors should use a full address.

With no further business, the meeting was adjourned at 9:09 a.m.

Respectfully submitted,

Pamela R. Carver
Specialists in the transition to a more sustainable economy
Impax Asset Management - overview

- Specialist manager, over 20 years’ experience
- Over 55 investment team members (UK, US, HK)
- Global distribution and client relations
- High quality investment solutions for institutional and individual investors
- Partnership approach with clients

1 As at 30 September 2019. Assets under advice represent ~3%. Total of asset classes may differ due to rounding. 2 US managed AUM refers to Pax World Funds. Impax acquired Pax World Management LLC on 18 January 2018. Company and AUM history includes private equity/sustainable property funds, and advisory accounts which are not included as part of Impax’s GIPS compliant business. This information is presented as supplemental to the Annual Disclosure Presentation which can be found at the back of this presentation.
Impax believes the economy is in transition

From a depletive economic model

Growth ignoring negative social and environmental costs

Sustainability challenges

Disruptors

Technology

Customer preferences

Social factors

Regulation

To a sustainable economic model

Growth with improved social and environmental outcomes

Durable businesses

4
Transitions create losers and winners

- **Combustion Engine** → **Clean Energy Transition** → **Electric Vehicles**
- **Single Use Plastics** → **Waste Reduction Targets** → **Recycling & Alternatives**
- **Traditional Agriculture** → **Natural Resource Efficiency** → **Precision Irrigation**

Source: Shutterstock/Unsplash.
Impax’s classification of Environmental Markets

**New Energy**

Energy Efficiency
- Power Network
- Industrial
- Buildings
- Transport
- Consumer

Alternative Energy
- Developers/IPPns
- Solar
- Wind
- Biofuels
- Other

**Sustainable Food, Agriculture & Forestry**

- Sustainable & Efficient Agriculture
- Logistics, Food Safety & Packaging
- Sustainable Forestry
- Nutrition

**Water**

Water Infrastructure/Technologies
- Infrastructure
- Treatment
- Utilities

Pollution Control
- Pollution Control Solutions
- Testing & Gas Sensing
- Public Transportation

**Waste/Resource Recovery**

Waste Management & Technologies
- Tech Equipment
- Recycling & Processing
- Hazardous
- General

Environmental Support Services
- Consultancies
- Carbon & Asset Trading
- Diversified Environmental

Adopted by FTSE as a basis for Environmental Technologies and Environmental Markets index series since 2007.
Investing in climate solutions

MITIGATION

Companies that enable us to **mitigate** climate change by reducing our environmental impact.

For example, companies active within:

- Energy efficiency
- Methane reduction
- Renewable energy
- Agricultural efficiency

ADAPTATION

Companies that enable us to **adapt** to meet the challenges of a changing climate.

For example, companies active within:

- Water infrastructure
- Back-up power
- Grid strengthening
- Food production
The 20-year transformation of the Environmental Markets

Number of companies in Impax's thematic equity universe

- >50% revenue exposure to Environmental Markets
- 20% - 50% revenue exposure to Environmental Markets
- >20% revenue exposure to Sustainable Food

Launch of pure play environmental Specialists strategy
- ~250

Universe broadens to include companies with growing environmental business units
- ~700

Introduction of Sustainable Food, Agriculture & Forestry
- ~1500

~2000

Impax Specialists strategy has delivered superior growth

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. As at 31 December 2018. Source: Factset. Data relates to a representative account for each strategy. 1Implied earnings growth for a given year has been calculated from the change in estimated price-only performance in USD, divided by the change in price-to-earnings multiple over the same period. Estimated price-only performance has been computed from the USD total return, adjusting for the dividend yield, where price-only returns in USD have not been available.
Experienced, multidisciplinary investment team

- Over 20 listed equity specialists in UK, HK, US
- Stable team with breadth and depth of experience
- Average Investment experience: over 15 years; Environmental: over 10 years
- Consistent investment process developed since 1999
- Collegial approach encourages strong idea generation
- Dedicated risk specialists provide sounding board/challenge
- Access to over 30 colleagues across asset classes

Specialists portfolio construction team

- Fotis Chatzimichalakis
  Member of portfolio construction team
- Bruce Jenkyn-Jones
  Co-Portfolio Manager
- Jon Forster
  Co-Portfolio Manager
- Justin Winter
  Member of portfolio construction team
- Lisa Beauvilain
  Head of Sustainability & ESG
- Simon Higgo
  Head of Investment Risk & Process
## Impax Listed Equities Teams

<table>
<thead>
<tr>
<th>Co-Heads of Listed Equities</th>
<th>Investment Risk &amp; Process</th>
<th>Sustainability &amp; ESG</th>
<th>Trading</th>
<th>Portfolio Specialists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce Jenky-Jones</td>
<td>Simon Higgo</td>
<td>Lisa Beauvilain</td>
<td>Dean Palin</td>
<td>Nicola Fritz</td>
</tr>
<tr>
<td>Co-Head &amp; Senior Portfolio Manager</td>
<td>Head of Investment Risk &amp; Process</td>
<td>Head of Sustainability &amp; ESG</td>
<td>Head of Trading</td>
<td>Portfolio Specialist</td>
</tr>
<tr>
<td>Hubert Aarts</td>
<td>Paolo Macri</td>
<td>Miriam Benarey-Meisel</td>
<td>Danielle Fregeau</td>
<td>Harry Boyle</td>
</tr>
<tr>
<td>Co-Head &amp; Senior Portfolio Manager</td>
<td>Investment Risk &amp; Process</td>
<td>Sustainability &amp; ESG Specialist</td>
<td>Trader</td>
<td>Portfolio Specialist</td>
</tr>
</tbody>
</table>

### Listed Equities

- Jon Forster  
  Senior Portfolio Manager
- David Li  
  Senior Portfolio Manager
- Michael Landymore  
  Senior Portfolio Manager
- Kirsteen Morrison  
  Senior Portfolio Manager
- David Winborne  
  Senior Portfolio Manager
- Sid Jha  
  Portfolio Manager
- Justin Winter  
  Portfolio Manager
- Oscar Yang  
  Portfolio Manager & Research Analyst
- Agne Rackauskaite  
  Research Analyst
- Fotis Chatzimichalakis  
  Research Analyst
- Luciano Lilloy  
  Research Analyst
- Evie Paterson  
  Research Analyst
- Adam Liang  
  Research Analyst
- Chris Eccles  
  Research Analyst

IMPAX Asset Management
Proven thematic investment process

Key steps

1. Identifying interesting companies
2. Fundamental analysis
3. Portfolio construction from ‘A-List’
4. Portfolio management & stewardship

Work undertaken

1. Thematic revenue exposure to high growth markets
2. VIPER Analytics\(^1\), 10-step process\(^2\), valuation barometer, third party research
3. Low turnover approach. Additions based on: GARP\(^3\); risk limits\(^2\); macro & thematic overlay
4. Sell discipline based on: valuation barometer; portfolio risk metrics; macro outlook; engagement outcomes

Number of stocks

- ~1,200
- ~200
- 55 - 65

\(^1\)VIPER Analytics: Proprietary financial quality, valuation and risk platform. \(^2\)Incorporating ESG. \(^3\)GARP: Growth at a Reasonable Price.
ESG research: integrated risk management tool

ESG METHODOLOGY:

- Consistent & Dynamic
- Fundamental & Proprietary
- Integrated and comprehensive

ANALYSIS OF:

Governance - Analysed vs country level
- Based on proprietary ranking of countries’ governance quality
- Provides oversight and accountability

Environmental & Social Risks - Analysed at company level
- How strong are E&S policies, processes, and incentives to manage the most material risks for a company?

Controversies - Analysed at company level
- Track record of past issues, performance, and company controversies
- How company responds to problems

Proprietary ESG review and score
**Specialists strategy - relative positioning**

**MARKET CAP**

- >US$10bn: 10% specialists strategy, 90% MSCI ACWI
- US$2bn - US$10bn: 10% specialists strategy, 74% MSCI ACWI
- <US$2bn: 0.2% specialists strategy, 13% MSCI ACWI
- Cash: 3%

**GLOBAL PORTFOLIO**

- North America: 42% specialists strategy, 59% MSCI ACWI
- Europe: 19% specialists strategy, 36% MSCI ACWI
- Asia-Pacific ex Japan: 15% specialists strategy, 12% MSCI ACWI
- Japan: 3% specialists strategy, 7% MSCI ACWI
- RoW: 1% specialists strategy, 3% MSCI ACWI
- Cash: 3%

**BROADLY DIVERSIFIED ACROSS ENVIRONMENTAL MARKETS**

- Energy Efficiency: 32%
- Water Infrastructure & Technologies: 19%
- Food, Agriculture & Forestry: 16%
- Pollution Control: 12%
- Renewable & Alternative Energy: 9%
- Waste Management & Technologies: 8%
- Environmental Support Services: 2%
- Cash: 3%

**EXPOSURE TO CYCLICAL AND DEFENSIVE END MARKETS**

- Cyclical: 57% specialists strategy, 51% MSCI ACWI
- Defensive: 33% specialists strategy, 42% MSCI ACWI
- Commodity: 7% specialists strategy, 7% MSCI ACWI
- Cash: 3%

1 Re-weighted to exclude private holdings. 
2 WTD AV: weighted average. 
3 Geographic allocation by country of listing, MSCI classification if available. 
4 Stability of demand during economic upturns and downturns. Data may not add up to 100% due to rounding. This information is presented as supplemental to the Annual Disclosure Presentation which can be found at the back of this presentation.
### Specialists strategy - top ten holdings

<table>
<thead>
<tr>
<th>STOCK</th>
<th>SUB-SECTOR</th>
<th>COUNTRY(^1)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generac Holdings</td>
<td>Power Network Efficiency</td>
<td>US</td>
<td>2.8</td>
</tr>
<tr>
<td>EDP Renovaveis</td>
<td>Renewable Energy Developers &amp; IPPs</td>
<td>Portugal</td>
<td>2.6</td>
</tr>
<tr>
<td>Rayonier</td>
<td>Sustainable Forestry &amp; Plantations</td>
<td>US</td>
<td>2.5</td>
</tr>
<tr>
<td>DS Smith</td>
<td>Recycling and Value Added Waste Processing</td>
<td>UK</td>
<td>2.5</td>
</tr>
<tr>
<td>Clean Harbors</td>
<td>Hazardous Waste Management</td>
<td>US</td>
<td>2.3</td>
</tr>
<tr>
<td>Brambles</td>
<td>Waste Technology Equipment</td>
<td>Australia</td>
<td>2.3</td>
</tr>
<tr>
<td>Ormat Technologies</td>
<td>Renewable Energy Developers &amp; IPPs</td>
<td>US</td>
<td>2.3</td>
</tr>
<tr>
<td>Horiba</td>
<td>Environmental Testing &amp; Gas Sensing</td>
<td>Japan</td>
<td>2.2</td>
</tr>
<tr>
<td>Pentair</td>
<td>Water Treatment Equipment</td>
<td>US</td>
<td>2.2</td>
</tr>
<tr>
<td>Lenzing</td>
<td>Sustainable &amp; Efficient Agriculture</td>
<td>Austria</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td>23.8</td>
</tr>
</tbody>
</table>

Source: Bloomberg. Data as at 30 September 2019. Total is subject to rounding. Top 10 by weighting. \(^1\)Geographic allocation by country of listing. MSCI classification if available.
## Specialists strategy - performance to end of September 2019 (USD)

### ANNUALISED PERFORMANCE (%)

<table>
<thead>
<tr>
<th></th>
<th>1Y</th>
<th>3Y</th>
<th>5Y</th>
<th>10Y</th>
<th>15Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy (gross)</td>
<td>3.3</td>
<td>8.7</td>
<td>8.6</td>
<td>7.8</td>
<td>9.1</td>
</tr>
<tr>
<td>Strategy (net)</td>
<td>2.2</td>
<td>7.5</td>
<td>7.4</td>
<td>6.6</td>
<td>8.0</td>
</tr>
<tr>
<td>FTSE ET Index¹</td>
<td>-0.1</td>
<td>7.4</td>
<td>5.1</td>
<td>3.0</td>
<td>-</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>1.4</td>
<td>9.7</td>
<td>6.7</td>
<td>8.3</td>
<td>7.1</td>
</tr>
</tbody>
</table>

### HISTORICAL PERFORMANCE (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy (gross)</td>
<td>20.9</td>
<td>-14.6</td>
<td>26.9</td>
<td>14.7</td>
<td>0.5</td>
<td>-3.7</td>
</tr>
<tr>
<td>Strategy (net)</td>
<td>19.9</td>
<td>-15.5</td>
<td>25.5</td>
<td>13.5</td>
<td>-0.6</td>
<td>-4.7</td>
</tr>
<tr>
<td>FTSE ET Index¹</td>
<td>14.4</td>
<td>-15.2</td>
<td>31.6</td>
<td>2.2</td>
<td>-0.8</td>
<td>-2.0</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>16.2</td>
<td>-9.4</td>
<td>24.0</td>
<td>7.9</td>
<td>-2.4</td>
<td>4.2</td>
</tr>
</tbody>
</table>

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 USD as at 30 September 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. ¹FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data shown from January 2014, previous data represents FTSE ET50. FTSE ET50 launched January 2008. 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 which can be found at the back of this document.
Specialists strategy - environmental impact of US$10m investment

<table>
<thead>
<tr>
<th>Environmental Impact</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net CO₂ emissions avoided</td>
<td>5,200 tCO₂</td>
</tr>
<tr>
<td>Equivalent to taking</td>
<td>1,130 cars off the road for a year</td>
</tr>
<tr>
<td>Total renewable electricity generated</td>
<td>1,820 MWh</td>
</tr>
<tr>
<td>Equivalent to</td>
<td>180 households' annual electricity consumption</td>
</tr>
<tr>
<td>Total water treated, saved, or provided</td>
<td>581m gallons</td>
</tr>
<tr>
<td>Equivalent to</td>
<td>4,420 households' annual water consumption</td>
</tr>
<tr>
<td>Total materials recovered/waste treated</td>
<td>1,310 tons</td>
</tr>
<tr>
<td>Equivalent to</td>
<td>630 households' annual waste arising</td>
</tr>
</tbody>
</table>

**Source:** Impax Asset Management.

**These figures refer to the past. Past performance is not a reliable indicator of future results.** Impact of US$10m invested in the strategy for one year. Based on most recently reported annual environmental data for holdings in the Impax Specialists strategy as at 31 December 2018. Impax's impact methodology is based on equity value.
How strategies are contributing to the low carbon energy transition

**NET CO₂ IMPACT PER US$10M INVESTED FOR ONE YEAR**

Mapping Specialists to the UN Sustainable Development Goals

Source: Data as at 31 December 2018. Figures are based on Impax internal data.
Delivering a partnership beyond financial returns

Dedicated client service and financial reporting

Collaborative engagement and stewardship

Thought leadership research

Impact reporting

Source: Shutterstock/iStock.
The Impax Specialists strategy is a long-only global equity strategy that invests in stocks of small and mid-cap environmental services and technology companies.

**INVESTMENT APPROACH**

<table>
<thead>
<tr>
<th>Strategy type</th>
<th>Long-only global equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing style</td>
<td>GARP¹</td>
</tr>
<tr>
<td>Predominant cap size</td>
<td>Small and mid-cap</td>
</tr>
<tr>
<td>Thematic revenue exposure</td>
<td>Min 50%</td>
</tr>
<tr>
<td>Universe / A-List</td>
<td>~1200 / ~200 companies</td>
</tr>
<tr>
<td>Holdings</td>
<td>55 - 65 stocks</td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>~20 - 30% p.a.</td>
</tr>
</tbody>
</table>

**KEY CHARACTERISTICS**

<table>
<thead>
<tr>
<th>AUM</th>
<th>US$2.4bn²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch date</td>
<td>March 2002</td>
</tr>
<tr>
<td>Portfolio managers</td>
<td>Bruce Jenkyn-Jones, Jon Forster</td>
</tr>
</tbody>
</table>

¹GARP: growth at reasonable price. ²Data as at 30 September 2019. Total assets in the Specialists strategy excluding one mandate with significantly different objectives and weightings compared to the other Specialists Funds. Data may not add up to 100% due to rounding. This information is presented as supplemental to the Annual Disclosure Presentation which can be found at the back of this presentation.

**BROADLY DIVERSIFIED ACROSS ENVIRONMENTAL MARKETS**

- Energy Efficiency 32%
- Water Infrastructure & Technologies 19%
- Renewable & Alternative Energy 9%
- Pollution Control 12%
- Food, Agriculture & Forestry 16%
- Environmental Support Services 2%
- Waste Management & Technologies 8%
- Cash 3%
# Specialists strategy - risk characteristics

## Absolute Risk Measures (5 Years)

<table>
<thead>
<tr>
<th></th>
<th>Specialists</th>
<th>FTSE ET100</th>
<th>MSCI ACWI</th>
</tr>
</thead>
<tbody>
<tr>
<td>VaR(^2,3) (5D, 95%, ex-ante)</td>
<td>2.8</td>
<td>3.3</td>
<td>2.7</td>
</tr>
<tr>
<td>Volatility (% annualised std dev, ex-post)</td>
<td>13.3</td>
<td>14.5</td>
<td>11.6</td>
</tr>
<tr>
<td>Sharpe ratio (ex-post)</td>
<td>0.6</td>
<td>0.3</td>
<td>0.5</td>
</tr>
</tbody>
</table>

## Relative Risk Measures (Ex-Post)

<table>
<thead>
<tr>
<th></th>
<th>5 Years</th>
<th>10 Years</th>
<th>15 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>VS FTSE ET100</td>
<td>VS MSCI ACWI</td>
<td>VS FTSE ET INDEX(^1)</td>
</tr>
<tr>
<td>Tracking error (% p.a.)</td>
<td>5.0</td>
<td>5.2</td>
<td>5.9</td>
</tr>
<tr>
<td>Alpha (% p.a.)</td>
<td>4.0</td>
<td>1.6</td>
<td>5.0</td>
</tr>
<tr>
<td>Beta</td>
<td>0.86</td>
<td>1.06</td>
<td>0.83</td>
</tr>
<tr>
<td>Information ratio</td>
<td>0.7</td>
<td>0.4</td>
<td>0.8</td>
</tr>
</tbody>
</table>

## Active Share (%)

<table>
<thead>
<tr>
<th></th>
<th>FTSE ET100</th>
<th>MSCI ACWI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active share (%)</td>
<td>73.5</td>
<td>99.6</td>
</tr>
</tbody>
</table>

Data calculated based on gross returns. Source: Factset/Bloomberg. Data as at 30 September 2019. \(^1\)Data represents internal Impax ET50 index data until FTSE formally adopted the index in 2008. FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data shown from January 2014, previous data represents FTSE ET50. The FTSE ET50 Index launched in January 2008. \(^2\)Source: Bloomberg Global Equity Fundamental Factor Model. \(^3\)VaR: value at risk. This information is presented as supplemental to the Annual Disclosure Presentation which can be found at the back of this presentation.
Specialists strategy - relative valuation

FUNDAMENTALS (NTM)¹, ²

<table>
<thead>
<tr>
<th>PE NTM ⁴</th>
<th>Consensus EPS ⁵</th>
<th>PEG ratio ⁶</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.8x</td>
<td>12.2%</td>
<td>1.5</td>
</tr>
<tr>
<td>15.1x</td>
<td>6.5%</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Specialists strategy
MSCI ACWI

NTM: next twelve months.
PE: price to earnings.
PEG ratio: price/earnings growth ratio.
EPS: earnings per share.
PEG ratio: price/earnings growth ratio.
PE premium: price to earnings premium.

Source: FactSet/Bloomberg.

Premium calculated using PE NTM vs MSCI ACWI as at 30 September 2019.

This information is presented as supplemental to the Annual Disclosure Presentation which can be found at the back of this presentation.

³These are forward looking numbers and there is no guarantee that this valuation will be achieved. ⁴NTM: next twelve months. ⁵PE: price to earnings.
Outlook

• Market volatility to persist given trade and geopolitical tension, and slowing global growth

• Catalysts continue to drive earnings of environmental markets:
  – Economics of resource efficiency continue to improve, delivering cost savings to end users
  – Consumer demand for EVs, alternative packaging and nutritious food gaining momentum
  – Disruptive events driving policy on emissions as well as single use plastic

• Emerging investment opportunities in
  – Industrial ‘internet-of-things’ and biochemicals
  – Climate change adaptation (as well as CO₂ emission mitigation)

• Portfolio positioned to manage volatility, albeit with high tracking error to global equities

¹EVs: electric vehicles.
### Thematic overlay

<table>
<thead>
<tr>
<th>Environmental subsector</th>
<th>Market Conditions</th>
<th>Legislation &amp; Policy</th>
<th>Relative Valuation</th>
<th>Relative Earnings Momentum</th>
<th>Investment View</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Treatment Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Technology Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recycling and Value Added Waste Processing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous Waste Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Consultancies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wind Power Generation Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solar Energy Generation Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energy Developers &amp; IPPs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biofuels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Network Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Energy Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings Energy Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport Energy Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Energy Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Utilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pollution Control Solutions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Testing &amp; Gas Sensing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Transportation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Waste Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable &amp; Efficient Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logistics, Food Safety &amp; Packaging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable Forestry &amp; Plantations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Updated for 2019 Q4. Market conditions reflect both external (e.g. cyclical) and internal (e.g. competition, technological disruption) factors. Valuation is by sub-sector individually, based on reversion to the mean and correlation to subsequent sub-sector performance, all measured quarterly over the last 10 years. Change of earnings forecast relative to global equities over the last three months, as at 30 September 2019.
Roles for Environmental Markets in an investment portfolio

Global Equities
- Unconstrained
- Highly Differentiated

Natural Resources
- Thematic
- Opportunistic
- Resource Demand
- Resource Scarcity
- Resource Efficiency

ESG/SRI Investments
- Impact/Mission Related
- Low Carbon/Fossil Fuel Free
- Environmental Solutions
- Climate Change Solutions

Alternatives
- Liquid Real Assets
- Inflation Oriented
- Infrastructure
- Alternative Growth
Active management between environmental opportunities

Impax Specialists strategy

Source: Factset. Data as at 28 December 2018, USD.
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. Data as at 30 September 2019, in USD. Source: FactSet, based on price returns. Bloomberg Global Coal Index. The FTSE Environmental Opportunities All Share Index launched on 28 April 2008 and data shown prior to this is back-tested.
Impax’s proprietary 10-steps analysis

1. Snapshot & Investment Thesis
   Role in the transition to a more sustainable economy

2. Market
   Opportunity for growth

3. Competitive advantage
   Technologies, brand, intellectual property, scale & distribution capabilities

4. Business model & strategy
   Credibility of plans, consistency of returns

5. Risks
   Industry dynamics, policy, macroeconomics and societal forces

6. ESG
   Effective governance structures, management of material ESG risks

7. Management
   Experience, effectiveness and succession

8. Valuation scenarios
   Fair value assessment, best/worst cases

9. Trading
   Liquidity, portfolio allocation

10. Catalysts
    Route map to entry
Valuation framework - position risk management

Each investment opportunity has a 'worst case/best case' range constructed around an assessed 'intrinsic value' so that valuation is expressed as a range of outcomes, rather than a single point. This provides us with a framework for managing position size within our portfolios.

KEY VALUE DRIVERS are "flexed" within ranges [worst case, best case] in a Monte Carlo simulation around our central thesis for each of the following:

1. Level of Revenue
2. Sustainable Growth Rate
3. EBITDA Margins
4. CAPEX Margins
5. Net Working Capital Margins

Scenario testing and Monte Carlo allows construction of 'worst case/best case' range

KEY POINTS ON THE CHART

1. 95% of the outcomes lie within the BLUE and ORANGE boxes
2. The boxes meet at the mid-cycle valuation on the DCF model
3. We ignore the "outliers"
4. We recognise the 5 year high & low price, the current price and the current book value per share

Source: VIPER Analytics. For illustrative purposes only.
**Specialists case study 1**

**Textiles and fibre producer - Austria**

<table>
<thead>
<tr>
<th>WHAT</th>
<th>The company produces textiles and fibres from sustainable sources, with high levels of resource efficiency.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOW MUCH</td>
<td>In 2018 it led to the avoidance of 13 million tonnes of CO₂ and it saved 4.9 megalitres of water by displacing cotton or man-made fibres.</td>
</tr>
<tr>
<td>CONTRIBUTION</td>
<td>Produces fibres from wood rather than cotton or chemical feedstocks, reducing energy and water use compared with conventional alternatives.</td>
</tr>
<tr>
<td>RISK</td>
<td>High water use is creating stress in areas of cotton production.</td>
</tr>
<tr>
<td>WHO BENEFITS</td>
<td>Its products help to reduce the supply chain impacts of its customers.</td>
</tr>
<tr>
<td>WHY</td>
<td>Land and water constraints are set to drive demand for the sustainable fibres produced by the company, which has recently undertaken a successful cost-cutting programme.</td>
</tr>
</tbody>
</table>
### Specialists case study 2

#### Renewable energy developer - Portugal

<table>
<thead>
<tr>
<th>WHAT</th>
<th>CONTRIBUTION</th>
<th>WHO BENEFITS</th>
<th>WHY</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company is one of the world’s largest producers of wind energy.</td>
<td>Develops, builds and operates wind farms, selling the power to local utilities and businesses.</td>
<td>Its projects in 14 jurisdictions around the world produce electricity without local air pollution or greenhouse gas emissions.</td>
<td>A market leader with an excellent operating history, the company has shown an ongoing ability to reduce costs, and has an effective asset rotation strategy to take advantage of demand for operating assets.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HOW MUCH</th>
<th>RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last year it generated 28.4 million MWh of clean power, avoiding 20 million tonnes of CO₂.</td>
<td>Without this company’s projects, global greenhouse gas emissions would be higher.</td>
</tr>
</tbody>
</table>
## 2018 Engagement and proxy voting activity

### ENGAGEMENT FOCUS
- Environmental: 41%
- Social: 32%
- Governance: 28%

### ENGAGEMENT REGION
- Europe: 45%
- US: 43%
- Asia: 11%
- ROW: 1%

### ENGAGEMENT TOPIC
- Smaller companies: 23%
- Proxy voting related: 22%
- Top-down strategic issues: 13%
- Impax ESG-related: 42%

### PROXY VOTING STATISTICS
- Total number of meetings where it was possible to vote: 196
- Number of meetings in which IAM\(^1\) voted: 189
- Number of meetings in which IAM\(^1\) voted (%): 96.4
- Number of resolutions in which IAM\(^1\) voted: 2,288
- Number of resolutions in which IAM\(^1\) voted against or abstained: 171
- Number of resolutions in which IAM\(^1\) voted against or abstained (%): 7.5

---

\(^1\)IAM refers to Impax Asset Management Ltd.
## Investment solutions across asset classes

**Impax Asset Management Group plc**

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Strategy</th>
<th>Inception date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thematic Equities</strong></td>
<td>Specialists</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Leaders</td>
<td>2008</td>
</tr>
<tr>
<td></td>
<td>Water</td>
<td>2009</td>
</tr>
<tr>
<td></td>
<td>Sustainable Food</td>
<td>2012</td>
</tr>
<tr>
<td></td>
<td>Asia-Pacific</td>
<td>2009</td>
</tr>
<tr>
<td><strong>Unconstrained Equities</strong></td>
<td>Global Opportunities</td>
<td>2015</td>
</tr>
<tr>
<td><strong>Real Assets</strong></td>
<td>NEF</td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td>Property</td>
<td>2014</td>
</tr>
</tbody>
</table>

**US managed (Impax LLC)**

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Strategy</th>
<th>Inception date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US Equities</strong></td>
<td>Small Cap</td>
<td>2008</td>
</tr>
<tr>
<td></td>
<td>Large Cap</td>
<td>2016</td>
</tr>
<tr>
<td><strong>Smart Beta</strong></td>
<td>ESG Beta Quality</td>
<td>1997</td>
</tr>
<tr>
<td></td>
<td>ESG Beta Dividend</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Global Women’s</td>
<td>2006</td>
</tr>
<tr>
<td></td>
<td>MSCI EAFE ESG</td>
<td>2011</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td>Core Bond</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>High Yield Bond</td>
<td>1998</td>
</tr>
</tbody>
</table>
Our offices and distribution partners

North America
- Pax World Funds
- Delaware funds platform
- NEI Investments
- Desjardins Global Asset Management
- Mackenzie Investments

UK/Ireland
- IEM plc
- UCITS platform
- NEF Funds
- St James’s Place

Europe
- ASN Bank
- BNP Paribas
- Formuepleje

Asia - Pacific
- BNP Paribas in Hong Kong and Australia

1Impax New Energy Investors Funds. 2Previously Pax World Management LLC.
Impax Asset Management (N. America) contacts

NEW YORK METRO

Impax Asset Management (US)
79 East Putnam Avenue, Suite 8A
Greenwich CT 06830

David Richardson, CFA
Executive Director
203 864 3244
d.richardson@impaxam.com

Nicola Fritz, CAIA
Portfolio Specialist
203 864 3244
n.fritz@impaxam.com

Melissa Platner, CAIA
Consultant Relations
203 864 3244
m.platner@impaxam.com

Christopher Bole
Business Development
203 864 3239
c.bole@impaxam.com

Brenda Zeng, CFA
Consultant Relations
203 864 3244
b.zeng@impaxam.com

Leah Wood, CFA
Client Service (Maternity leave)
203 864 3244
l.wood@impaxam.com

Mackenzie Clark
Client Service
203 864 3244
m.clark@impaxam.com

Sean Hanczor
Client Service
203 717 1511
s.hanczor@impaxam.com

Impax Asset Management (US)
205 SE Spokane Street, Suite 300
Portland OR 97202

Molly Ono
Director, Western Region
503 998 1113
m.ono@impaxam.com

Stephanie Moersfelder
Client Service, Business Development
503 830 5702
s.moersfelder@impaxam.com

PORTLAND

Impax Asset Management (US)
205 SE Spokane Street, Suite 300
Portland OR 97202

Molly Ono
Director, Western Region
503 998 1113
m.ono@impaxam.com

Stephanie Moersfelder
Client Service, Business Development
503 830 5702
s.moersfelder@impaxam.com
## Specialists: annual disclosure presentation – September 2019 USD

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Firm Assets (Millions)</th>
<th>Ending Market Value (Millions)</th>
<th>Number of Portfolios</th>
<th>Annual Gross Return</th>
<th>Annual Net MSCI AC World Return</th>
<th>FTSE ET Asset Weighted StdDev*</th>
<th>3yr Annualized Std Dev**</th>
<th>MSCI AC World 3yr Annualized Std Dev**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 YTD</td>
<td>17,444.92</td>
<td>1,785.03</td>
<td>8</td>
<td>20.90</td>
<td>19.91</td>
<td>16.20</td>
<td>14.43</td>
<td>1.12</td>
</tr>
<tr>
<td>2017</td>
<td>9,977.17</td>
<td>2,115.70</td>
<td>9</td>
<td>26.92</td>
<td>25.54</td>
<td>23.97</td>
<td>31.56</td>
<td>0.95</td>
</tr>
<tr>
<td>2016</td>
<td>5,456.11</td>
<td>1,398.67</td>
<td>9</td>
<td>14.71</td>
<td>13.46</td>
<td>7.86</td>
<td>2.19</td>
<td>0.91</td>
</tr>
<tr>
<td>2015</td>
<td>3,879.17</td>
<td>1,098.67</td>
<td>7</td>
<td>0.54</td>
<td>-0.55</td>
<td>-2.36</td>
<td>0.77</td>
<td>0.47</td>
</tr>
<tr>
<td>2014</td>
<td>3,522.26</td>
<td>1,101.22</td>
<td>6</td>
<td>-3.70</td>
<td>-4.71</td>
<td>4.16</td>
<td>-1.96</td>
<td>0.28</td>
</tr>
<tr>
<td>2013</td>
<td>3,231.36</td>
<td>1,201.97</td>
<td>6</td>
<td>36.14</td>
<td>34.82</td>
<td>22.80</td>
<td>44.58</td>
<td>1.56</td>
</tr>
<tr>
<td>2012</td>
<td>2,349.66</td>
<td>1,015.88</td>
<td>6</td>
<td>13.45</td>
<td>12.33</td>
<td>16.13</td>
<td>5.82</td>
<td>0.79</td>
</tr>
<tr>
<td>2011</td>
<td>2,224.45</td>
<td>1,071.13</td>
<td>6</td>
<td>-18.14</td>
<td>-18.96</td>
<td>-7.35</td>
<td>-27.92</td>
<td>0.61</td>
</tr>
<tr>
<td>2010</td>
<td>2,913.42</td>
<td>1,571.81</td>
<td>6</td>
<td>9.40</td>
<td>8.21</td>
<td>12.67</td>
<td>-5.20</td>
<td>--</td>
</tr>
<tr>
<td>2009</td>
<td>2,162.13</td>
<td>1,351.74</td>
<td>5</td>
<td>45.54</td>
<td>43.99</td>
<td>34.63</td>
<td>29.20</td>
<td>--</td>
</tr>
<tr>
<td>2008</td>
<td>1,199.84</td>
<td>918.74</td>
<td>4</td>
<td>-42.42</td>
<td>-43.03</td>
<td>-42.19</td>
<td>-54.54</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>1,854.19</td>
<td>1,564.87</td>
<td>3</td>
<td>19.53</td>
<td>18.36</td>
<td>11.66</td>
<td>72.27</td>
<td>--</td>
</tr>
<tr>
<td>2006</td>
<td>760.61</td>
<td>612.82</td>
<td>3</td>
<td>39.97</td>
<td>38.62</td>
<td>20.95</td>
<td>36.47</td>
<td>--</td>
</tr>
<tr>
<td>2005</td>
<td>272.91</td>
<td>230.62</td>
<td>2</td>
<td>10.05</td>
<td>8.91</td>
<td>10.84</td>
<td>11.32</td>
<td>--</td>
</tr>
<tr>
<td>2004</td>
<td>116.71</td>
<td>73.29</td>
<td>1</td>
<td>26.53</td>
<td>25.30</td>
<td>15.23</td>
<td>13.79</td>
<td>--</td>
</tr>
<tr>
<td>2003</td>
<td>66.21</td>
<td>59.11</td>
<td>1</td>
<td>37.22</td>
<td>35.89</td>
<td>33.99</td>
<td>32.93</td>
<td>--</td>
</tr>
<tr>
<td>2002</td>
<td>48.39</td>
<td>43.86</td>
<td>1</td>
<td>-35.86</td>
<td>-36.42</td>
<td>-16.39</td>
<td>-35.22</td>
<td>--</td>
</tr>
</tbody>
</table>

Results shown for the year 2019 represent a partial performance from January 1, 2019 through September 30, 2019.

Results shown for the year 2002 represent partial period performance from March 1, 2002 through December 31, 2002.

* 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.

The Specialists Global Composite contains long only accounts which invest in companies where a majority of the business activities are in the provision of pollution control, waste technology and resource management and sustainable food, agriculture and forestry. For comparison purposes, the composite is measured against the MSCI All Country World Index and FTSE ET indices. FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data launched on January 2014, previous data represents FTSE ET50.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

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 Limited included Impax Asset Management Limited and Impax Asset Management (AIFM). The firm was redefined to also include Impax Asset Management (AIFM) to reflect the acquisition of Pax World Management LLC.

MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the world’s largest pure play environmental technology companies globally, by full market capitalization. The indices are designed to measure the performance of companies that have a business development in the operation of environmental technologies. FTSE ET100 data launched on January 2014, previous data represents FTSE ET50.

MSCI AC World Index performance presented is net of withholding taxes while FTSE ET performance is gross of withholding taxes given the unavailability of net of withholding taxes returns by FTSE.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest fee of 1.1%. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Verification does not ensure the accuracy of any specific composite presentation.

The Specialists Global Composite was created March 31, 2015.
Important information

This document has been approved by Impax Asset Management Limited and Impax Asset Management (AIIFM) Limited (“Impax”, authorised and regulated by the Financial Conduct Authority). Both companies are wholly owned subsidiaries of Impax Asset Management Group plc.

The information and any opinions contained in this document have been compiled in good faith, but no representation or warranty, express or implied, is made to their accuracy, completeness or correctness. Impax, its officers, employees, representatives and agents expressly advise that they shall not be liable in any respect whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise however arising (whether in negligence or otherwise) out of or in connection with the contents of or any omissions from this document.

This document does not constitute an offer to sell, purchase, subscribe for or otherwise invest in units or shares of any fund managed by Impax. It may not be relied upon as constituting any form of investment advice and prospective investors are advised to ensure that they obtain appropriate independent professional advice before making any investment in any such fund. Any offering is made only pursuant to the relevant offering document and the relevant subscription application, all of which must be read in their entirety. Prospective investors should review the offering memorandum, including the risk factors in the offering memorandum, before making a decision to invest. Past performance of a fund or strategy is no guarantee as to its performance in the future. This document is not an advertisement and is not intended for public use or distribution.

This document is solely for the use of professionals, defined as Eligible Counterparties, Professional clients or Wholesale clients, within the meaning of the rules of the Financial Conduct Authority and Annex II of Directive 2014/65/EU. Under no circumstances should any information contained in this document be regarded as an offer or solicitation to deal in investments in any jurisdiction including, but not limited to, the United States of America. In particular, the shares of Impax Environmental Markets (Ireland) Fund, Impax Environmental Markets plc, Impax Asian Environmental Markets (Ireland) Fund, Impax Environmental Leaders (Ireland) Fund, Impax Global Opportunities Fund and Impax Asset Management Group plc are not registered under United States securities laws and, subject to certain limited exceptions, may not be offered, sold transferred or delivered in the United States or to US persons.

The Danish Financial Supervisory Authority has received proper notification of Impax’s intention to market or provide financial products and services to investors in Denmark on a cross-border basis in accordance with Section 31 of the Danish Financial Businesses Act.

The services referred to in this document may not be marketed, offered or sold directly or indirectly to any resident of the Republic of Finland or in the Republic of Finland, except pursuant to applicable Finnish laws and regulations, other than to professional clients as defined in the Finnish Investment Services Act (747/2012, as amended). This document is strictly for private use by its recipients and may not be passed on to third parties or otherwise distributed publicly. This document has not been approved by the Finnish Financial Supervisory Authority.

Impax is permitted to provide financial products and services in the UK and has notified the Norwegian Financial Supervisory Authority (Nw: Finanstilsynet) in accordance with section 9-24 of the Norwegian Securities Trading Act and is permitted to provide financial products and services in Norway.