

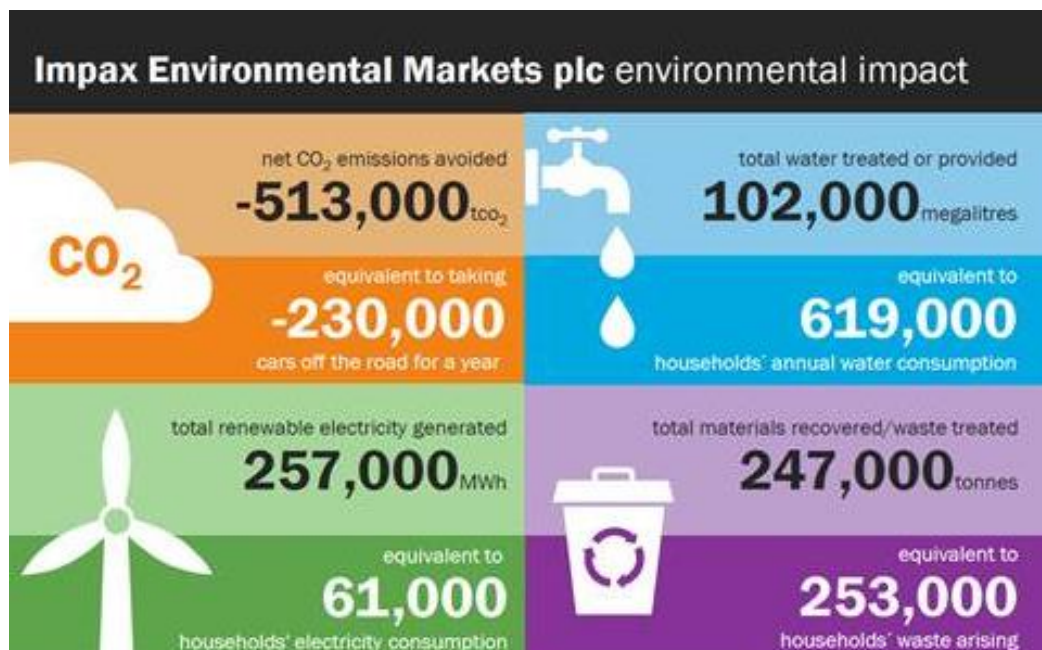
13 October 2015

## Impax determines positive environmental impact for listed equity fund

At a seminar in London today in advance of Good Money Week, Impax Asset Management ("Impax") showcased its methodology to bring positive (net) impact measurement to listed equities. The impact measurement is focused on Impax's Specialists strategy, which includes the UK investment trust Impax Environmental Markets plc ("IEM plc").

The focus is on four environmental metrics:

- Net CO<sub>2</sub> emissions (tonnes of CO<sub>2</sub> emitted vs CO<sub>2</sub> avoided)
- Renewable energy (MWh generated)
- Water (mega-litres treated, saved, provided)
- Materials (tonnes recovered, waste treated)



IEM plc, seeks to maximise financial returns within a universe of pure play, or "specialist", environmental companies. However, it is not just the returns which appeal to investors. With over 80% of the underlying revenue of the portfolio companies generated by sales of environmental products or services, it has always seemed reasonable to believe that the fund has a positive environmental impact.

The relevant environmental metrics for all portfolio companies were measured where data was available or could be estimated. The percentage owned in each underlying investment (calculated based on the proportion of shares owned) as at 31 December 2014 was applied to measure the environmental benefit attributable to IEM plc.

The methodology is available [here](#) and the work has received assurance of its efficacy from EY's Sustainability Practice.



Bruce Jenkyn-Jones, Head of Listed Equities at Impax, said:

“We believe this net measurement is a more meaningful metric to carbon foot-printing. Investment advisers can use these additional reporting metrics to help clients seeking to decarbonise their portfolios, offset emissions in alternative strategies, or simply to improve their understanding of the extent of the positive outcomes of their investment decision.”

Faith Ward, Chief Responsible Investment & Risk Officer of the Environment Agency Pension Fund (“EAPF”), also presented the approach of the EAPF towards responsible and impact investing and John Spiers of EQ Investors discussed the growing importance of impact measurement.

Faith Ward commented:

“We seek to demonstrate to our members that their pension fund is investing to make a positive contribution to sustainable capitalism and the transition to a low carbon economy, while delivering strong financial returns. We would like to thank Impax for developing this methodology which helps us to measure the environmental impact of the fund.”

John Spiers added:

“I hope that over the next 10 – 15 years impact investing will become embedded throughout investment culture. Effective measurement - such as this work to measure positive environmental impact – will be key to this process.”

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### Notes to Editors - About Impax Asset Management

Impax Asset Management is a leading investment firm, managing approximately £2.8bn\* primarily for institutional clients through both listed and private equity strategies.

Impax’s investments are based on a strong conviction that population dynamics, resource scarcity, inadequate infrastructure and environmental constraints will profoundly shape global markets, creating investment risks and opportunities. The Company expects that these trends, reflecting the transition towards a more sustainable global economy, will drive earnings growth for well-positioned companies. Impax’s proprietary investment framework identifies and calibrates the rising risks and expanding opportunities from this transition, and guides the search for investments that will deliver long term outperformance.

Impax is a holder of a Queen’s Award for Enterprise: Sustainable Development and numerous other industry awards.

\*As at 30 September 2015

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