

IMPAX ASSET MANAGEMENT LIMITED

Company number: 03583839

**Annual report and financial statements
for the year ended 30 September 2021**



IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
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COMPANY INFORMATION

Directors Sally Bridgeland (appointed: 8 December 2020)
Ian R Simm
Bruce Jenkyn-Jones
Charles D Ridge
Daniel von Preyss
Joseph Keefe (resigned: 1 March 2021)
J Keith R Falconer (resigned: 8 December 2020)

Secretary Zack Wilson

Company number 03583839

Registered office 7th Floor
30 Panton Street
London
SW1 4AJ

IMPAX ASSET MANAGEMENT LIMITED
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STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Corporate strategy

Impax Asset Management Limited ("Impax" or "the Company") is a specialist asset manager investing in the transition to a more sustainable global economy and seeks to be the leading investment manager in this area. Impax establishes and seeks to grow a small number of scalable products and to sustain excellent investment performance. Impax markets these products predominantly to larger investors who can deploy a significant quantity of capital. To achieve these objectives, the Company recognises the importance of attracting outstanding investment talent and retaining a core senior management team whose interests are aligned with those of shareholders.

Creating and promoting value for all stakeholders

Section 172 of the Companies Act 2006 requires the Board to act in the way that they consider would most likely promote the success of the Company for the benefit of all stakeholders. In turn the Directors ensure that they, and the management team, have regard, amongst other matters, to:

- The likely consequences of any decisions in the long term.
- The interests of the Company's staff.
- The need to foster the Company's business relationships with suppliers, customers, distribution partners and others.
- The need to grow the value of the business for our shareholders.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the Company.

The table below sets out our key stakeholders and how we have engaged with them in the period. Further details are provided in the Annual Report of our parent company, Impax Asset Management Group plc.

Stakeholder	Approach to stakeholder engagement
Clients	<p>We provide a wide range of investment products and solutions to our clients who are predominantly institutional investors and pension funds.</p> <p>We are focused on ensuring that we are managing all our funds and accounts in line with clients' investment objectives and within a framework that is fully compliant with applicable regulations and policies.</p> <p>We seek to deliver consistent outcomes for our clients and superior financial returns over the longer term.</p> <p>We conduct fundamental analysis which incorporates long-term risks, including Environmental, Social & Governance ("ESG") factors.</p> <p>We focus on four areas broader beyond financial returns: corporate engagement and stewardship; environmental impact reporting; policy and advocacy; and thought leadership.</p> <p>Our client teams build long-term relationships and a deep understanding of our clients' needs and expectations.</p> <p>Informed by our dialogue with clients we develop new products to provide client solutions and invest our own balance sheet as seed capital.</p> <p>Highlights during the period:</p> <ul style="list-style-type: none"> • Continued strong investment performance.

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	<ul style="list-style-type: none"> • Significant new mandate wins. • We continue to focus on managing our capacity and have significant headroom within our existing strategies. • Thought leadership highlights included a report on water impact.
Shareholders	<p>Our shareholder is Impax Asset Management Group plc, whose shareholder are institutional and individual investors. We share full details of the Company's performance with the parent company.</p> <p>The governance and management of the Company is driven by the Board and Executive Committee. We seek to adhere to high standards of corporate governance and reporting.</p> <p>We manage and optimise a scalable platform for growth, including systems, processes, and infrastructure. We balance tight costs control with the needs of an expanding business. We have strong cost controls and a rising operating margin.</p> <p>Via our parent company we are committed to full disclosure and clear communications with institutional and private shareholders and hold meetings throughout the year.</p>
Colleagues	<p>We seek to offer a stimulating, collaborative, and supportive workplace for our people.</p> <p>We are focused on integrating our one-team culture, expanding our global presence, ensuring business resilience through scalability, and sustaining a high-performing environment.</p> <p>We prioritise investment to empower our colleagues to reach their full potential. This includes both professional and personal development training to ensure we have the skills needed to develop the business.</p> <p>We are committed to equality, diversity and inclusion (E,D&I). We value individuals and seek to understand our peoples' perspectives and to reflect their views.</p> <p>We remain focused on addressing the gender pay gap, particularly at senior management level.</p> <p>We learn from and act on the feedback from our colleagues.</p> <p>Highlights during the period:</p> <ul style="list-style-type: none"> • We launched a "behavioural competency" framework, which sets out the standards we expect from colleagues on a day-to-day basis. • We consulted with our colleagues before updating our post-lockdown HR policies. We remain an office-based business, with extra flexibility for colleagues that require it. • Our employee engagement survey revealed an 88% engagement score, 14 points ahead of the industry benchmark. • We focused on five E,D&I priorities under Leadership, Talent & Attraction, Data & Benchmarking, Awareness, and Social Impact. We have set goals at an organisational level and in managers' objectives and performance evaluations. • 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.

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Investee companies	<p>We are long term investors and develop strong relationships with many of our holding companies. We conduct deep, on-going research into all areas of their businesses.</p> <p>We engage with companies to minimise risks, protect shareholder value, promote greater transparency and encourage companies to become more resilient over time.</p> <p>We take a supportive rather than activist approach and often work in collaboration with other asset managers or organisations.</p> <p>During the period we prioritised four strategic areas of engagement: climate, with focus on physical climate risk; human capital development; sustainability management; and corporate governance.</p>
Distribution partners	<p>We have developed strong relationships with other asset managers who distribute our white-label funds through their networks. This enables the Company to distribute our products to a much wider network of clients.</p> <p>Our senior management team, investment professionals and client relationship managers meet our distribution partners regularly and we have strong reporting systems in place.</p> <p>We are deepening the level of reporting that we provide to our clients via our distribution partners.</p> <p>Highlights during the period:</p> <p>We developed further our relationship with BNP Paribas Asset Management by signing a new distribution agreement on very similar terms to the Memorandum of Understanding that has been in place since 2007.</p> <p>We signed a new distribution agreement with Fidante Partners Limited for it to be Impax's exclusive distribution partner in Australia and New Zealand.</p>
External service providers	<p>We engage specialist external service partners to supplement our own infrastructure so that we can deliver key services more cost effectively.</p> <p>The Audit & Risk Committee reviews the Company's material outsource providers annually.</p> <p>We expect our suppliers to reflect our values around social inclusion, sustainability, and the environment.</p> <p>We seek to develop deep relationships and regularly engage with our external suppliers. We seek to develop deep relationships and regularly engage with our external suppliers.</p> <p>Highlights during the period:</p> <ul style="list-style-type: none"> • We invested in our corporate services functions, including risk, compliance and IT. • We are focusing particularly on improving our data capabilities, managing cyber risk, and increasing our operational resilience.
Community and the environment	<p>We are committed to operating to the highest standards of corporate responsibility, recognising our responsibility to the community in which we operate, and to a wider society.</p> <p>We support a low-carbon economy, primarily through our investment decisions, company engagement, our collaboration with clients and stakeholders and policy advocacy. We are committed to reducing our operational emissions; Scope 1, 2 & 3.</p> <p>Equality Diversity & Inclusion is central to Impax's philosophy, values, and mission. This informs the way we operate; our investment and engagement</p>

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	<p>process; and how we measure our collaboration with partners and our social impact.</p> <p>We facilitate charitable giving by our staff via numerous schemes and match many of the contributions.</p> <p>We also encourage staff to volunteer both as individuals and on Company organised initiatives.</p> <p>Highlights during the period:</p> <ul style="list-style-type: none"> • A significant number of colleagues take part in our matched charitable giving scheme (GAYE). This year we were awarded a Diamond Quality Mark by GAYE as an outstanding participant. • In November 2021 we joined the Net-Zero Asset Managers Initiative.
Industry wide groups	<p>We believe that working in collaboration with like-minded organisations can be more effective in bringing about change.</p> <p>We have focused on the real economy transition (e.g. Investor Agenda COP26 Investor Statement); physical climate risk (e.g. IIGCC Investor Perspectives on Physical Climate Risk); and biodiversity (e.g. preparation work for Taskforce on Nature-related Financial Disclosures).</p>
Financial industry regulators	<p>Impax is a global business which has a strong focus on ethical conduct and compliance with applicable requirements in all jurisdictions where we operate.</p> <p>We are committed to regulatory reporting and disclosures which benefit market transparency and integrity.</p> <p>We seek to contribute positively to evolving regulatory standards and actively advocate for sustainable regulatory policies relevant to our activities and clients.</p> <p>We have participated in the Climate Financial Risk Forum (FCA/Bank of England) and the Bank of England Productive Finance Working Group.</p>

Principal activities and review of the business

The principal activity of the Company during the year was that of investment manager to investment funds and accounts.

The Company's prospects have continued to strengthen during the year with strong inflows into funds the Company manages.

Key performance indicators

The Directors consider assets under management ("AUM"), turnover and profitability to be the key performance indicators of the Company. Turnover for the year was £93,922,000 (2020: £51,536,000) and profit before tax was £34,072,000 (2020: £12,320,000). At 30 September 2021 the Company had AUM of £28,190 million (2020: £15,510 million).

Covid 19

The company has remained fully operational since the start of the pandemic. We have focussed on protecting the health and safety of colleagues, whilst continuing to provide a seamless service to clients and fulfilling obligations to shareholders and other stakeholders. We have sustained strong investment performance while we have also been able to expand our operations and team in line with the needs of the business.

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Brexit

The impact of Brexit has not been significant for the Company, with only a small number of clients, representing less than 2% of AUM, being impacted. We have now transferred those clients to the Impax Group's Dublin office which is fully operational.

Results and dividends

The results for the year under review are set out on page 15. The net asset position of the Company is set out on page 16. No dividends were paid during the year ended 30 September 2021 (2020: £14,000,000).

Principal risks and uncertainties

The Company is exposed to a variety of financial and operational risks as detailed below.

Reputational risk

Reputational risk can arise from any of the key risks described below and relates to the Company's brand and relationships with stakeholders. Integrity and appropriate conduct are an integral part of the Company's culture and values, and all business dealings. In addition, the controls described below help to mitigate the risk of incidents that may have a reputational impact.

Market risk

The Company's Listed Equity business charges management fees based on AUM and accordingly its revenue is exposed to market risk. The Company operates a number of strategies which are diversified by geography and industry, and it has a defined investment process that has to be followed. All investments are overseen by the Listed Equity Investment Committee.

Currency risk

The Company receives part of its income in foreign currency and an element of its costs are incurred in foreign currencies notably US dollars. A proportion of its assets and liabilities are also denominated in foreign currency. The Company's strategy has been to put in place hedges in the form of forward rate contracts where there is sufficient predictability over the income to allow for an effective and cost-efficient hedge, or otherwise to convert the foreign currency income to Sterling as soon as possible after receipt. US dollar receipts are typically retained to cover US dollar expenditure.

Liquidity and cash flow risk

Impax Asset Management Group plc produces consolidated cash flow forecasts for a twelve-month period to manage its liquidity requirements. These forecasts are subject to regular review by management. As part of this process the liquidity requirements of the Company are considered. The Company is also required to comply with the capital requirements of the Financial Conduct Authority and monitors this on a regular basis. Pillar 3 disclosures on regulatory capital can be found on the Impax Asset Management Group plc website.

Credit risk

The Company is exposed to the risk of counterparty default from banks and other institutions holding the Company's cash reserves. To manage this risk, the Company deposits cash with institutions that have high credit ratings and by allocating its cash holdings to at least four institutions at any time.

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Principal risks and uncertainties *continued*

Legal, regulatory and compliance risk

The Company's operations are subject to financial regulations, including minimum capital requirements and compliance procedures in each of the markets in which it operates. The Company seeks to manage these risks by ensuring close monitoring of compliance with the regulations and by tracking proposed changes and reacting immediately when changes are required. The Company has a dedicated Compliance team. The Company has transferred a small number of its clients to the Group's Dublin based company with effect from 1 January 2021 to take account of change arising from Brexit.

People risk

The success of the Company depends on the support and experience of its key employees. The loss of key employees could have a material adverse effect on the Company's result or operations. This risk is managed by offering competitive remuneration packages including share schemes and carried interest in Private Equity funds and by creating a supportive and enjoyable working environment. Sustainable succession and development plans are also put in place. The senior investment team has been stable since the Company's inception.

Operational risk

The Company has established a control framework so that the risk of financial loss to the Company through operational failure is minimised. Furthermore, the Company has in place measures to minimise and manage possible risks of disruption to its business and to ensure the safety of its staff. This plan has been put in place to manage its strategic and operational business risks in the case of an emergency and is aimed at bringing together particular responses such as IT disaster recovery, contingency plans, off-site storage of records, data back-up and recovery procedures, evacuation procedures and customer and staff communications.

The Company also has insurance cover which is reviewed each year prior to renewal.

Cyber Risk

The Company has put in place measures to minimise and manage possible technology risks and to ensure the safety of data and General Data Protection Regulation compliance. Information and cyber security is enforced throughout the business. This ensures hardware such as laptops and mobile devices are fully protected. All staff receive regular cyber awareness training in addition external and internal penetration tests are carried out on an annual basis. The Company also carries out company-wide phishing tests.

On behalf of the Board



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Charles D Ridge

Director

Date: 14 December 2021

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Directors present their report and financial statements for the year ended 30 September 2021.

Dividends

No dividends were paid during the year ended 30 September 2021 (2020: £14,000,000). Subsequent to year end the Directors agreed to pay a final dividend of £16,800,000.

Creditor payment policy

The Company seeks to maintain good terms with its trading partners. It is the Company's policy to agree appropriate terms and conditions for its transactions with suppliers and, provided the supplier has complied with its obligations, to abide by the terms of payment agreed. Trade creditor days of the Company for the year ended 30 September 2021 were 23 (2020: 23).

Political and charitable donations

The Company made charitable donations of £8,740.

Directors

The following Directors held office:

Sally Bridgeland (appointed: 8 December 2020)

Ian R Simm

Bruce Jenkyn-Jones

Charles D Ridge

Daniel von Preyss

J Keith R Falconer (resigned: 8 December 2020)

Joseph Keefe (resigned: 1 March 2021)

Directors' interests

None of the Directors hold any shares in Impax Asset Management Limited. Sally Bridgeland and Ian R Simm are Directors of the ultimate Parent Company, Impax Asset Management Group plc, (J Keith Falconer resigned on 8 December 2020) and their interest in the shares of that company are disclosed in its annual report.

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 *continued*

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements *continued*

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- (a) so far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) he/she has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the Board



.....
Charles D Ridge
Director
Impax Asset Management Limited

7th Floor
30 Panton Street
London
SW1 4AJ
14 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPAX ASSET MANAGEMENT LTD

Opinion

We have audited the financial statements of Impax Asset Management Limited ("the company") for the year ended 30 September 2021 which comprise the Income Statement, Statement of Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPAX ASSET MANAGEMENT LTD

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and the Company's Compliance team and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is limited judgement involved in the valuation and recognition of all material revenue streams. We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included but were not limited to journals containing descriptions that were identified as high risk in our risk assessment procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPAX ASSET MANAGEMENT LTD

inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 10, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPAX ASSET MANAGEMENT LTD

concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

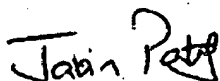
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jatin Patel (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

E14 5GL

15 December 2021

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £000s	2020 £000s
Revenue	2	93,922	51,536
Operating costs	3	(61,530)	(38,839)
Other financial income	6	1,680	(377)
Profit before tax		34,072	12,320
Taxation	7	(6,079)	(2,363)
Profit on ordinary activities after taxation		27,993	9,957

STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 £000s	2020 £000s
Profit for the year	27,993	9,957
Other comprehensive income	-	-
Total comprehensive income for the year	27,993	9,957

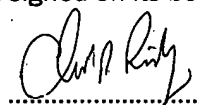
The above statements have been prepared on the basis that all operations are continuing operations.

The notes on pages 19 to 32 form part of these financial statements.

IMPAX ASSET MANAGEMENT LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021
Company number: 03583839

	Notes	2021 £000s	2020 £000s
Assets			
Intangible assets	8	21	71
Investments	9	1	1
Total non-current assets		22	72
Trade and other receivables	10	33,073	30,264
Deferred tax asset	7	5,941	3,423
Cash invested in money market funds and long-term deposit accounts		34,264	5,555
Cash and cash equivalents		22,906	9,782
Total current assets		96,184	49,024
Total assets		96,206	49,096
Equity and liabilities			
Called up share capital	12	10	10
Capital redemption reserve		180	180
Capital contribution reserve		16,522	14,496
Retained earnings		43,329	10,449
Total equity		60,041	25,135
Trade and other payables	11	35,829	23,961
Current tax liability		336	-
Total current liabilities		36,165	23,961
Total equity and liabilities		96,206	49,096

These financial statements were approved by the Board of Directors on 14 December 2021 and signed on its behalf by



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Charles D Ridge
Director

The notes on pages 19 to 32 form part of these financial statements.

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Share capital £000s	Capital redemption reserve £000s	Capital contribution reserve £000s	Retained earnings £000s	Total £000s
As at 30 September 2019	10	180	13,189	11,264	24,643
Profit for the year	-	-	-	9,957	9,957
Dividends paid	-	-	-	(14,000)	(14,000)
Tax credit on long-term incentive schemes	-	-	-	3,228	3,228
Capital contribution from Parent Company*	-	-	1,307	-	1,307
As at 30 September 2020	10	180	14,496	10,449	25,135
Profit for the year	-	-	-	27,993	27,993
Tax credit on long-term incentive schemes	-	-	-	4,887	4,887
Capital contribution from Parent Company*	-	-	2,026	-	2,026
As at 30 September 2021	10	180	16,522	43,329	60,041

*The capital contribution relates to share based payment awards made by the Parent Company to employees of the Company.

The notes on pages 19 to 32 form part of these financial statements.

IMPAX ASSET MANAGEMENT LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £000s	2020 £000s
Operating activities			
Profit before taxation		34,072	12,320
<i>Adjustments for</i>			
Other financial (income)/expense		(1,680)	235
Amortisation and impairment	8	50	65
Share-based payment charge		2,026	1,307
Operating cash flows before movement in working capital		34,468	13,927
Increase in receivables		(2,886)	(2,004)
Increase in payables		13,951	4,439
Cash generated from operations		45,533	16,362
Corporation tax paid		(3,297)	(50)
Net cash generated from operating activities		42,236	16,312
Investing activities			
Investment income received		21	38
Acquisition of intangible assets		-	(14)
(Increase)/decrease in cash held in money market funds and long-term deposit accounts		(28,709)	2,002
Net cash generated from investing activities		(28,688)	2,026
Financing activities			
Dividends paid		-	(14,000)
Net cash used in financing activities		-	(14,000)
Net increase in cash and cash equivalents		13,548	4,338
Cash and cash equivalents at the beginning of the year		9,782	5,444
Effect of foreign exchange rate changes		(424)	-
Cash and cash equivalents at the end of the year		22,906	9,782

The notes on pages 19 to 32 form part of these financial statements.

**IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. Accounting policies

1.1 Reporting entity

Impax Asset Management Ltd (the "Company") is incorporated and domiciled in the UK. These financial statements present information about the Company which is a wholly-owned subsidiary undertaking of Impax Asset Management Group plc ("the Parent Company" or "the Group"), a company registered in England and Wales.

The Company has not prepared Group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006.

Copies of the Parent Company's accounts can be obtained online from www.impaxam.com.

1.2 Basis of preparation

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS") and applicable law.

The Board has made an assessment covering a period of at least 12 months from the date of approval of these interim financial statements which indicates that, taking account of a reasonably possible downside in relation to asset inflows, market performance and costs, the Company will have sufficient funds, to meet its liabilities as they fall due for that period. In making this assessment the Board has considered the potential ongoing impact of Covid-19. The Company has high cash balances and no external debt and, at the Period end market levels, is profitable. A significant part of the Company's cost basis is variable as bonuses are linked to profitability. The Company has operated without disruption during the lockdown periods to date and expects to continue to do so consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

The financial statements have been prepared under the historical cost convention, with the exception of the revaluation of certain investments and derivatives being measured at fair value.

The financial statements are presented in Sterling. All amounts have been rounded to the nearest thousand unless otherwise indicated.

1.3 Revenue

Management fee revenue is recognised as the service is provided and it is probable that the fee will be received. Where fees are calculated and billed in arrears amounts are accrued and estimated based on the statement of financial position date.

Revenue also includes transaction-based fees. These fees are recorded as income as the service is provided and the receipt of income is almost certain.

Performance fees arising upon the achievement of the specified targets are recognised when the fees are confirmed as receivable.

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1.4 Interest

Interest receivable is recognised using the effective interest method as it accrues.

1.5 Intangible fixed assets

Purchased software licences and associated implementation costs are stated at cost less accumulated amortisation.

Amortisation is charged in equal instalments over their estimated useful lives on a straight-line basis:

Software licences	over the life of the licence
Software implementation costs	3 years

The cost of acquiring a management contract is recognised and measured at its fair value at the acquisition date. The fair value represents the valuation of the expected profits to be earned from the management contract and is determined by discounting the expected future cash flows.

Management contracts are carried at cost less accumulated amortisation and any impairments losses. Amortisation is provided on a straight-line basis over the expected life of the contract.

1.6 Fixed asset investments

Investments in Group undertakings are stated at cost less provision for any permanent diminution in value. Other investments are classified as financial assets and recorded at fair value with changes in the fair value recorded through the profit and loss account.

1.7 Pensions

The Company operates defined contribution schemes for employees. The assets of the schemes are held separately from those of the Company in independently administered funds.

1.8 Taxation

Current tax is based on taxable profits for the year after all potential reliefs available have been utilised. Taxable profits differ from "profit before tax" as reported in the income statement because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible in the current year. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date. In the United Kingdom tax deductions are available in respect of the award of the Company's shares. In instances where the tax deduction is greater than the associated share-based payment charge due to differences in the Company's share price that amount, tax effected, is recognised in equity.

Deferred tax is provided in full in respect of taxation deferred by temporary differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are not recognised to the extent that their recoverability is uncertain.

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or if hedged forward at the hedged rate. All differences are taken to the income statement.

1.10 Share-based payments

The fair value of employee services received in exchange for the grant of restricted shares or share options is recognised as an expense. The fair value of the shares and share options awarded is determined at the date the employee is deemed to be fully aware of their potential entitlement and all conditions of vesting (termed the "grant date"). The expense is charged over the period starting when the employee commenced the relevant services (termed the "service commencement date") to the vesting date. In instances where the grant date occurs after the date of signing these financial statements the fair value is initially estimated by assuming that the grant date is the reporting date.

1.11 Use of Judgement and Estimates

In preparing these financial statements management has made judgements and estimates that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates. Revisions to estimates are recognised prospectively. The most significant estimate is described below.

- Determining the share-based payment charge

The Company makes share-based payments (share options, restricted share awards and other share awards) to staff. The value of these is estimated using the Black-Scholes-Merton or binomial model. Key estimates include the volatility of Impax shares (which is determined based on historical volatility), Impax's dividend yield and the risk-free rate.

2. Revenue

Analysis of revenue by type of service:

	2021 £000s	2020 £000s
Investment management and advisory services	93,664	51,237
Transaction fees	258	299
	93,922	51,536

Analysis of revenue by location of customers:

	2021 £000s	2020 £000s
UK	12,448	3,952
Rest of world	81,474	47,584
	93,922	51,536

Revenue from two of the Company's customers individually represented more than 10% of Company revenue, equating to £11,479,000 and £10,369,000 (2020: three, equating to £7,780,000, £5,904,000 and £5,898,000).

Revenue includes £91,292,000 from related parties (2020: £50,179,000).

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ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. Operating costs

	2021 £000s	2020 £000s
Staff costs (see note 4)	32,677	22,687
IT and communications	1,871	1,715
Amortisation and impairment	50	65
Charges from other Group companies	31,014	18,943
Other costs	3,069	2,225
Charges to other Group companies	(7,151)	(6,796)
	61,530	38,839

Auditor's remuneration in respect of the audit of the financial statements of £30,000 (2020: £8,000) was borne by Impax Asset Management Group plc.

The Company provides services to Impax Asset Management (AIFM) Limited, a fellow subsidiary and the charge for these services is reflected as a credit within operating costs. Operating costs include £598,000 in respect of placing agent fees paid to related parties (2020: £774,000).

4. Staff costs

	2021 £000s	2020 £000s
Salaries and variable bonuses	22,996	15,628
Social security costs	6,646	4,870
Pensions	480	435
Other staff costs	529	561
Share-based payment charge (see note 5)	2,026	1,193
	32,677	22,687

The Company contributes to employees' private pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension cost represents contributions paid by the Company to these funds. At year end, there was £nil payable to these funds (2020: £nil).

The average monthly number of employees during the period was:

	2021	2020
Listed equity	21	19
Private equity	12	12
Portfolio Services	13	10
Client Service & Business Development	28	26
	74	67

IMPAX ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4. Staff costs (continued)

Director's emoluments during the year, including the highest-paid Director, were:

	2021 £000s	2020 £000s
Emoluments for qualifying services	3,428	1,915
Company pension contributions to money purchase schemes	-	2
	3,428	1,917
Amounts to the highest paid Director (included above)		
Emoluments for qualifying services	1,900	984
Company pension contributions to money purchase schemes	-	-
	1,900	984

	2021	2020
The average number of Directors		
- to whom pension benefits are accruing within the Company are	-	1
- who have exercised share options in the year is	3	4
- who have benefited from share-based awards in the year is	2	6

5. Share-based payments

The Parent Company makes share-based payment awards to employees of the Company and as described in Note 1.10 the Company records a charge in the income statement to reflect this. Details of the relevant share plans and the awards made to employees of the Company are provided below.

Restricted share scheme

Restricted shares were granted to employees under the 2014, 2015, 2017, 2019 and 2020 plans. Post year end the Board approved the grant of a further 184,000 restricted shares under the 2021 plan. Details of the awards granted along with their valuation and the inputs used in the valuation are described in the table below. The valuation was determined using the Black-Scholes-Merton model with an adjustment to reflect that dividends are received during the vesting period. Following grant, the shares are held by a nominee for employees - who are then immediately entitled to receive dividends. After a period of three years the employees will be able to sell one third of the shares, after four years a further third and after five years the final third.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. Share-based payments (continued)

	2015 RSS	2017 RSS	2018 RSS	2019 RSS	2020 RSS	2021 RSS
Awards originally granted	3,675,000	1,650,000 / 500,000/ 315,000	248,250	52,250	230,000	184,000
In respect of services provided for period from	1 Oct 2014/ 9 Feb 2016	1 Oct 2016/ 14 Dec 2016/ 11 May 2017	1 Oct 2017	1 Oct 2018	1 Oct 2019	1 Oct 2020
Award value	42.1p/41.5p	52.2p/87.7p/ 161.6p	201.3p	236.8p	506.2p	1,144.7p
Weighted average share price	41.4p	77.4p	202.8p	239.0p	510.0p	1,152p
Expected volatility	32%/31%	29% (all)	30%	31%	32%	32%
Weighted average option life	4.9yrs	4.3yrs	5.3yrs	5.3yrs	5.3yrs	5.3yrs
Expected dividend rate	3%	4%/2%/2%	1%	2%	1%	1%
Risk free interest rate	1.2%/0.8%	0.6% (all)	1.2%	0.3%	0.0%	0.67%

Number of restricted shares	No.
Outstanding at 1 October 2020	3,321,069
Granted during the year	230,000
Vested during the year	(1,954,995)
Forfeited during the year	-
Outstanding at 30 September 2021	1,596,074

Employee share option plan

Options granted in 2017

The strike price of these options was set at a 10 per cent premium to the average market price of the Company's shares for the five business days following the announcement of the results for the preceding financial year. The 2017 ESOP options have vested. The 2017 options did not have performance conditions but did have a time vesting condition such that they vested subject to continued employment on 31 December 2020.

The valuation was determined using the Black-Scholes-Merton model.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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5. Share-based payments (continued)

Options granted in 2018, 2019 and 2020

The strike price of the options granted in 2018 and 2019 was set at £1. The strike price of the options granted in 2020 was set at £3. The options do not have performance conditions but do have a time vesting condition such that the options vest subject to continued employment five years following grant. Vested shares are restricted from being sold until after a further five year period (other than to settle any resulting tax liability).

Post year end the Board approved the grant of 230,000 options under the 2021 plan. The options have a strike price of £9 but otherwise have the same conditions as the other options.

The valuation was determined using the binomial model.

Share options are equity settled.

An analysis of the options in the ultimate Parent Company granted to employees of the Company is as follows:

	Number	Weighted average exercise price/pence
Options outstanding at the start of the year	1,700,000	61.6
Options granted during the year	530,000	300.0
Options exercised during the year	(100,000)	180.2
Options outstanding at the end of the year	2,130,000	176.1
Options exercisable at the end of the year	700,000	180.2

For the options outstanding at the end of the period the exercise prices were 180.2p for the ESOP 2017, 100p for the ESOP 2018 and 2019 and 300p for the ESOP 2020. The weighted average remaining contractual life was 6.3 years.

6. Other financial income/(loss)

	2021 £000s	2020 £000s
Investment income	21	38
Dividend from subsidiary	2,083	-
Fair value losses on investments (note 9)	-	(273)
Foreign exchange losses	(424)	(142)
	1,680	(377)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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7. Taxation on profit on ordinary activities

(a) Analysis of the tax charge

	2021 £000s	2020 £000s
Current tax		
UK corporation tax	3,708	(159)
Adjustments in respect of previous periods	2	50
	3,710	(109)
Deferred tax		
Charge for the year	2,369	2,502
Adjustments in respect of previous periods	-	(30)
	2,369	2,472
Tax charge on profit	6,079	2,363

(b) Factors affecting the tax charge for the year

	2021 £000s	2020 £000s
Profit on ordinary activities before taxation	34,072	12,320
Tax effective rate of 19% (2020: 19%)	6,474	2,341
Effects of:		
Non-deductible expenses and charges	-	2
Non-taxable income	(397)	-
Adjustment in respect of prior years	2	20
	6,079	2,363

(c) Deferred tax

	Share-based payment scheme £000s	Other temporary differences £000s	Total £000s
As at 1 October 2019	2,625	42	2,667
Credit to equity	3,228	-	3,228
Credit/(charge) to the income statement	(2,554)	82	(2,472)
As at 30 September 2020	3,299	124	3,423
Credit to equity	4,887	-	4,887
Charge to the income statement	(2,369)	-	(2,369)
As at 30 September 2021	5,817	124	5,941

An increase in the main rate of UK corporation tax from 19% to 25% with effect from 1 April 2023 was enacted in the Finance Act 2021. This rate increase has been taken into account in the calculation of the Company's UK deferred tax assets and liabilities as at 30 September 2021, to the extent that they are expected to reverse after the rate increase comes into effect.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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8. Intangible assets

	Software £000s	Management contracts £000s	Total £000s
Cost			
As at 30 September 2019	515	112	627
Additions	14	-	14
Disposal	-	(112)	(112)
As at 30 September 2020	529	-	529
Additions	-	-	-
As at 30 September 2021			
Accumulated amortisation			
As at 30 September 2019	393	112	505
Charge for the year	65	-	65
Disposal	-	(112)	(112)
As at 30 September 2020	458	-	458
Charge for the year	50	-	50
As at 30 September 2021	508	-	508
Net book value			
As at 30 September 2021	21	-	21
As at 30 September 2020	71	-	71
As at 30 September 2019	122	-	122

9. Investments

	Total £000s
As at 1 October 2019	274
Change in fair value	(273)
As at 30 September 2020	1
Change in value	-
As at 30 September 2021	1

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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9. Investments (continued)

Holdings of more than 20%

The Company has a 20% equity holding or more in the following entities, all of which are incorporated in England and Wales (unless otherwise stated):

Company	Class	% held
Impax New Energy Investors (GP) Limited	Equity	100
Impax New Energy Investors II (GP) Limited	Equity	100
Impax Carried Interest Partner (GP) Limited	Equity	100
Impax Carried Interest Partner II (GP) Limited	Equity	100
Impax Asset Management (US) LLC*	Equity	100
Impax FLOW (GP) Limited	Equity	100
Impax Global Resource Optimization (GP) Limited	Equity	100
Climate Property (GP) Limited	Equity	100
Impax Global Opportunities (GP) Limited	Equity	100
INEI I GP (UK) LLP**	Membership interests	100
INEI II GP (UK) LLP***	Membership interests	100

* Incorporated in USA

** Held indirectly through subsidiaries Impax New Energy Investors (GP) Limited and Impax Carried Interest Partner (GP) Limited

*** Held indirectly through subsidiaries Impax New Energy Investors II (GP) Limited and Impax Carried Interest Partner II (GP) Limited

10. Trade and other receivables

	2021	2020
	£000s	£000s
Amounts falling due within one year		
Trade receivables	4,239	677
Amounts owed by Group undertakings	1,822	16,544
Other receivables	1,341	154
Prepayments and accrued income	25,671	12,889
	33,073	30,264

The ageing analysis of trade receivables at the reporting date are as follows:

	2021	2020
	£000s	£000s
0-30 days	2,425	1
<i>Overdue, but not impaired:</i>		
31-60 days	1,052	-
61-90 days	762	677
Over 90 days	-	-
	4,239	677

As at 30 September 2021, the assessed provision under the IFRS 9 expected loss model is immaterial (2020: immaterial). These balances are settled within contractual terms and the Company has not experienced credit losses in the past.

£28,641,000 of trade and other receivables and accrued income were due from related parties (2020: £12,471,000) in respect of investment management services.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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11. Trade and other payables

	2021 £000s	2020 £000s
<i>Amounts due within one year</i>		
Trade payables	105	24
Amounts due to Group undertakings	6,571	7,744
Other payables	4,122	1,345
Accruals and deferred income	20,183	2,658
Taxation and social security	4,848	12,190
	35,829	23,961

12. Share capital

	2021 £000s	2020 £000s
<i>Allotted, called up and fully paid</i>		
10,000 ordinary shares of £1 each	10	10

13. Related party transactions

Impax Global Resource Optimization Fund LP, Impax Climate Property Fund LP, Impax New Energy Investors LP, Impax Carried Interest Partners LP, Impax New Energy Investors II LP, Impax New Energy Investors II-B LP and Impax Carried Interest Partners II LP are related parties of the Company by virtue of subsidiaries being the General Partners to these funds.

BNP Paribas Asset Management Holdings is a related party of the Company by virtue of owning a 13.8% equity holding in the Parent Company as well as holding a seat on the Board of Directors of the Parent Company. The Company sub-manages certain funds for BNP for which it earns fees.

Other funds managed by the Company are also related parties by virtue of its management contracts. Transactions with other Group companies are related party transactions.

Related party transactions are disclosed in notes 2,3, 10 and 11.

14. Financial risk management

Risk management is integral to the business of the Company. There are systems of controls in place to create an acceptable balance between the potential cost should such a risk occur and the cost of managing those risks. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. This section provides details of the Company's exposure to financial risks and describes the methods used by management to control such risk.

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14. Financial risk management (continued)

Foreign exchange

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. A significant amount of the Company's income is denominated in Euro and US dollars. The Company's foreign exchange risk arises from income received in these currencies, together with an exposure to expenses in foreign currencies, principally US dollars.

The strategy of the Company for the year ended 30 September 2021 has been to convert earned income back to Sterling whilst retaining US dollars and to use hedges where there is sufficient predictability over inflows to allow for an effective and efficient hedge. There was no hedging completed during the current or prior year.

The Company's exposure to foreign exchange risk at 30 September 2021 was as follows:

	EUR/GBP £000s	USD/GBP £000s	Other/GBP £000s
Assets			
Trade and other receivables	16,252	4,982	-
Cash and cash equivalents	7	10,325	-
	16,259	15,307	-
Liabilities			
Trade and other payables	6	4,146	79
Net exposure	16,253	11,161	(79)

The Company's exposure to foreign exchange risk at 30 September 2020 was as follows:

	EUR/GBP £000s	USD/GBP £000s	Other/GBP £000s
Assets			
Investments	-	-	-
Trade and other receivables	685	236	31
Cash and cash equivalents	15	2,986	-
	700	3,222	31
Liabilities			
Trade and other payables	989	1,363	-
Net exposure	(289)	1,859	31

The following table demonstrates the estimated impact on Company post-tax profit and net assets caused by a 5 per cent variance in the exchange rate used to revalue significant foreign assets and liabilities, assuming all other variables are held constant. Post-tax profit will either increase or (decrease) as shown.

	Post-tax profit	
	2021 £000s	2020 £000s
Translation of significant foreign assets and liabilities		
GBP strengthens against the USD, down 5%	(449)	(75)
GBP weakens against the USD, up 5%	449	75
GBP strengthens against the EUR, down 5%	(654)	12
GBP weakens against the EUR, down 5%	654	(12)

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14. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations when they fall due or will have to do so at a cost. The Company monitors its liquidity risk using cash flow forecasts considering the cash required to meet the Company's investment plans and its regulatory capital requirements.

At 30 September 2021, the Company had total current assets of £96,184,000. This is £60,355,000 in excess of trade and other payables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its interest-bearing assets, specifically cash balances that earn interest at a floating rate.

Market risk

The Company has a holding in another private company which is exposed to market risk. At the year end this had been fully written down (see note 9).

Financial assets and liabilities by category

	Financial assets measured at fair value £000s	Financial assets/liabilities measured at amortised cost £000s
At 30 September 2021-		
Financial assets		
Trade and other receivables	-	7,402
Cash held in money market funds & long-term deposit accounts	34,264	-
Cash and cash equivalents	-	22,906
Total financial assets	34,264	30,308
Financial liabilities		
Trade and other payables	-	10,798
	Financial assets measured at fair value £000s	Financial assets/liabilities measured at amortised cost £000s
At 30 September 2020		
Financial assets		
Investments	1	-
Trade and other receivables	-	17,273
Cash held in money market funds & long-term deposit accounts	5,555	-
Cash and cash equivalents	-	9,782
Total financial assets	5,556	27,055
Financial liabilities		
Trade and other payables	-	8,796

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15. Commitments and contingencies

On 18 January 2018 Impax Asset Management Group plc borrowed \$25 million from the Royal Bank of Scotland pursuant to a \$26 million debt facility agreement in connection with the Group's acquisition of Pax World Management LLC. The Company has agreed to provide security for such obligations through a debenture and act as a Guarantor under the debt facility agreement. As a Guarantor it is jointly and severally liable with other Guarantors (being fellow subsidiary undertakings) and has agreed that whenever amounts due under the debt facility agreement have not been paid by Impax Asset Management Group plc, the Company will immediately on demand pay that amount. At 30 September 2021 the debt had been fully repaid but the Group retains the ability to draw up to \$13 million under the facility.

16. Immediate and ultimate Parent Company

The immediate Parent Company and ultimate controlling undertaking is Impax Asset Management Group plc, an AIM-listed company registered in England and Wales. Copies of the financial statements of Impax Asset Management Group plc can be obtained from Companies House or online at www.impaxam.com.