

NOVEMBER 2015

FOR PROFESSIONAL CLIENTS ONLY

## INVESTMENT OBJECTIVE

The Company's objective is to enable investors to benefit from growth in the markets for cleaner or more efficient delivery of basic services of energy, water and waste. Investments are made predominantly in quoted companies which provide, utilise, implement or advise upon technology-based systems, products or services in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management (which includes sustainable food, agriculture and forestry).

The latest Annual Report sets out the investment objective, policy, maximum leverage and principal risk factors faced by the Company. Investors should read the Prospectus before investing which is available at: [www.impaxam.com](http://www.impaxam.com)

## KEY FACTS

<b>NAV ex-income</b> 175.38p	<b>AUM cum-income</b> GBP 377.8m	<b>No. of holdings</b> 66 (excl. unlisted)
<b>NAV cum-income</b> 176.81p	<b>Market cap</b> GBP 333.8m	<b>Exchange</b> London
<b>Share price</b> 156.25p	<b>Launch date</b> 22-Feb-2002	<b>Currency</b> GBP
<b>Premium/(discount)</b> (11.63)%	<b>Structure</b> Investment Trust	<b>ISIN</b> GB0031232498
<b>Ongoing charge</b> 1.13%	<b>Comparative indices</b> FTSE ET100	<b>Bloomberg</b> IEM LN
<b>PE ratio<sup>2</sup></b> 16.7x	<b>MSCI AC World</b>	<b>Illiquid assets</b> 2.3%
	<b>Net gearing<sup>1</sup></b> 5.04%	<b>Maximum leverage</b> Under AIFMD (130%) <sup>3</sup>

<sup>1</sup>Net gearing calculated in accordance with the current AIC methodology by dividing total assets less cash and cash equivalents by shareholders' funds. The Company has a bank loan facility in place and the amount drawn down as at the calculation date was c. £29.8m (£15.6m + US\$24m). The Company's gearing range is 0% to 20%.

## DISCRETE PERFORMANCE (%)<sup>4</sup>

	30/11/2014- 30/11/2015	30/11/2013- 30/11/2014	30/11/2012- 30/11/2013	30/11/2011- 30/11/2012	30/11/2010- 30/11/2011
IEM plc Net Asset Value (Total Return*)	4.5	3.9	34.9	3.4	-7.3
FTSE ET <sup>5</sup>	1.8	9.6	39.9	-3.8	-19.5
MSCI AC World	1.4	13.0	20.8	11.2	-1.3

## PERFORMANCE (%) AS OF 30 NOVEMBER 2015

	1 month	3 months	YTD	1 year	3 years	5 years	10 years
IEM plc Net Asset Value (Total Return*)	2.4	7.1	5.0	4.5	46.5	40.5	104.2
FTSE ET <sup>5</sup>	3.4	5.2	3.4	1.8	56.1	20.8	-
MSCI AC World	1.8	5.3	3.0	1.4	38.5	51.9	90.9

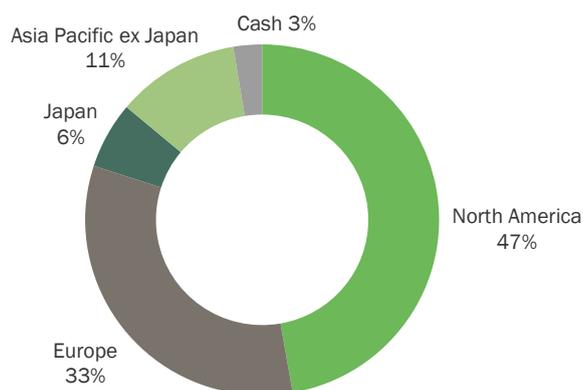
<sup>5</sup>FTSE ET performance is a combination of FTSE ET100 and FTSE ET50 indices. FTSE ET100 data shown since launch from January 2014, previous data represents FTSE ET50.

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them can go down as well as up and you may get back less than originally invested.

Source: Impax bid to bid price with net income reinvested, net of ongoing charges and portfolio costs.

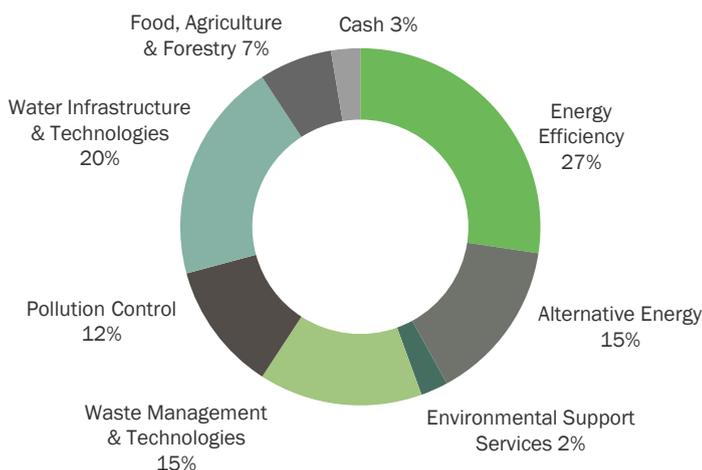
## PORTFOLIO BREAKDOWN

### SHARE LISTING\*



\*Geographic allocation by country of listing, MSCI classification. Source: FactSet. Pie chart values may not add up to 100% due to rounding.

### SECTOR FOCUS



<sup>2</sup>Forward 12 months. <sup>3</sup>Under AIFMD, leverage is any method by which the exposure of an AIF is increased through borrowing of cash or securities or leverage embedded in derivative positions. <sup>4</sup>Yearly rolling performance returns. Performance data incorporates undiluted NAV until exercise of warrants on 25 June 2010. FTSE index is total return (gross dividend reinvested), MSCI index is total net return (net dividend reinvested). Source: FactSet. All data as at 30 November 2015. \*Source: Morningstar TR for fund returns and FactSet for all other data. Difference in calculations may occur due to the methodology used.

## TOP 10 HOLDINGS

Stock	Description	Country	%
Xylem	Water Infrastructure	United States	3.0
Horiba	Environmental Testing & Gas Sensing	Japan	2.9
American Water Works Company	Water Utilities	United States	2.9
TOMRA Systems	Machinery & Equipment	Norway	2.7
Clean Harbors	Hazardous Waste Management	United States	2.5
EDP Renovaveis	Renewable Energy Developers & IPPs	Spain	2.5
LKQ Corporation	Recycling & Value Added Waste Processing	United States	2.4
Spirax-Sarco Engineering	Industrial Energy Efficiency	United Kingdom	2.3
NIBE Industrier	Buildings Energy Efficiency	Sweden	2.2
ENSYN Corporation	Biofuels	United States	2.2
Total allocation to top 10 holdings			25.6

## RISK CONSIDERATIONS

Investors' attention is drawn to the following risk factors which may relate to an investment in the Trust:

- To counter liquidity risk within the Trust and satisfy management objectives or meet size restrictions on holdings, our investment team monitor the liquidity of stocks on an ongoing basis, especially as shares purchased in smaller companies may be less liquid than in larger companies and price swings may therefore be greater than investment trusts, companies and funds that invest in larger companies.
- Where the funds invest in assets (including cash) which are dominated in currencies other than the base currency (pounds sterling) then currency exchange rate movements may cause the value of the investments to fall as well as rise.
- The company may borrow money to invest in further investments, this is known as gearing. Gearing will increase returns if the value of the investments purchased increases in value by more than the cost of borrowing, or reduce returns if they fail to do so.
- Investment in warrants, equity linked notes, etc will expose the funds to the risk of the issuer of these instruments defaulting.
- There is a market risk of investing in companies with poor governance. Prior to investing in any company Impax will review the corporate governance arrangements and apply a rating. Investment will be prohibited if rating is below a defined threshold.
- There is a concentration risk of investing too heavily in a particular sector, country, or technology. These risks are lowered by monitoring different exposures on frequent basis and ensuring that holdings in any one stock is limited to a defined percentage.
- The Trust's leverage is the sum of financial gearing and synthetic gearing. Details can be found in the Annual report and Prospectus. Where a trust utilises leverage, the profits and losses incurred by the trust can be greater than those of a trust that does not use leverage.

## CONTACT DETAILS

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## CONNECT WITH US



Source: FactSet. As at 30 November 2015.

**Important Information:** This document has been approved by Impax Asset Management (AIFM) Limited which is authorised and regulated by the Financial Conduct Authority. This document is solely for the use of professionals, defined as Eligible Counterparties or Professional Clients. The annual investment management charge and other charges are generally deducted from income, although a portion may be deducted from capital of the Fund. Where charges are deducted from capital, the potential for capital growth will be reduced. It is important to choose a fund that does not exceed the risk level you are prepared to accept. Portfolio characteristics, including specific holdings, contributors to performance, and country, sector and industry exposure, are as of the date indicated and are subject to change without notice. Portfolio characteristics illustrate the application of Impax's investment style only and should not be considered a recommendation by Impax. Any reference to a specific security does not constitute a recommendation to buy, sell or hold any specific fund or security. Such information pertains to past performance or is the basis for previously made investment decisions and may not be current.