


Stewardship and Advocacy Report 2025

Leveraging expertise to navigate the transition to a more sustainable economy



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The background image shows a vibrant scene with a wavy, red, mesh-like bridge spanning a body of water. The bridge has a grey wooden deck and is surrounded by lush green trees on a small island. In the distance, a dense urban skyline with various high-rise buildings is visible under a clear blue sky.

Stewardship and advocacy are twin levers that we can pull, as investors, to help companies and issuers navigate the risks and opportunities arising from the transition to a more sustainable economy.



Introduction

Welcome to our eighth annual Stewardship and Advocacy Report.

Stewardship and advocacy are twin levers that we can pull, as investors, to help companies and issuers navigate the risks and opportunities arising from the transition to a more sustainable economy.

We draw on a broad stewardship and advocacy toolkit developed over more than two decades – from individual company outreach to shaping regulatory frameworks – and tailor our approach to the issue at hand and the outcomes being targeted.

We can escalate our activity and, where obstacles prove hard to overcome, different levers can be pulled. The combination of company engagement and policy advocacy, which we refer to as systematic stewardship, can help accelerate progress in areas that have proven historically challenging and which pose systemic risks. Our activities typically span over several years, reflecting the long-term nature of the challenges we are focused on.

Our commitment to engaging on material risks

Stewardship activities are firmly integrated within Impax investment processes. The vast majority of engagement dialogues undertaken with companies in 2024 were conducted together by members

of the investment team and the Sustainability Centre, our in-house team of experts that provides knowledge, tools and analysis on sustainability-related issues.

We dedicate these resources to the evaluation of risks and opportunities arising from the transition to a more sustainable economy because of their financial materiality. We therefore view their consideration within the investment process as a core part of fulfilling our fiduciary duty.

Impax remains fully committed to stewardship activities and collaborative industry initiatives. We take the view that it is appropriate and necessary for us to focus on these issues and to leverage the breadth of our stewardship and advocacy activities in the pursuit of better risk-adjusted returns for our clients. Indeed, many asset owners expect to see the robust integration of sustainability risks and opportunities into investment decisions and engagement activities performed by asset managers.

Given the increasing scale of environmental and social challenges and political uncertainty facing companies and issuers, we believe that our stewardship and advocacy activities are more important than ever.



Lisa Beauvilain

Global Head of Sustainability & Stewardship, Co-Head of the Impax Sustainability Centre



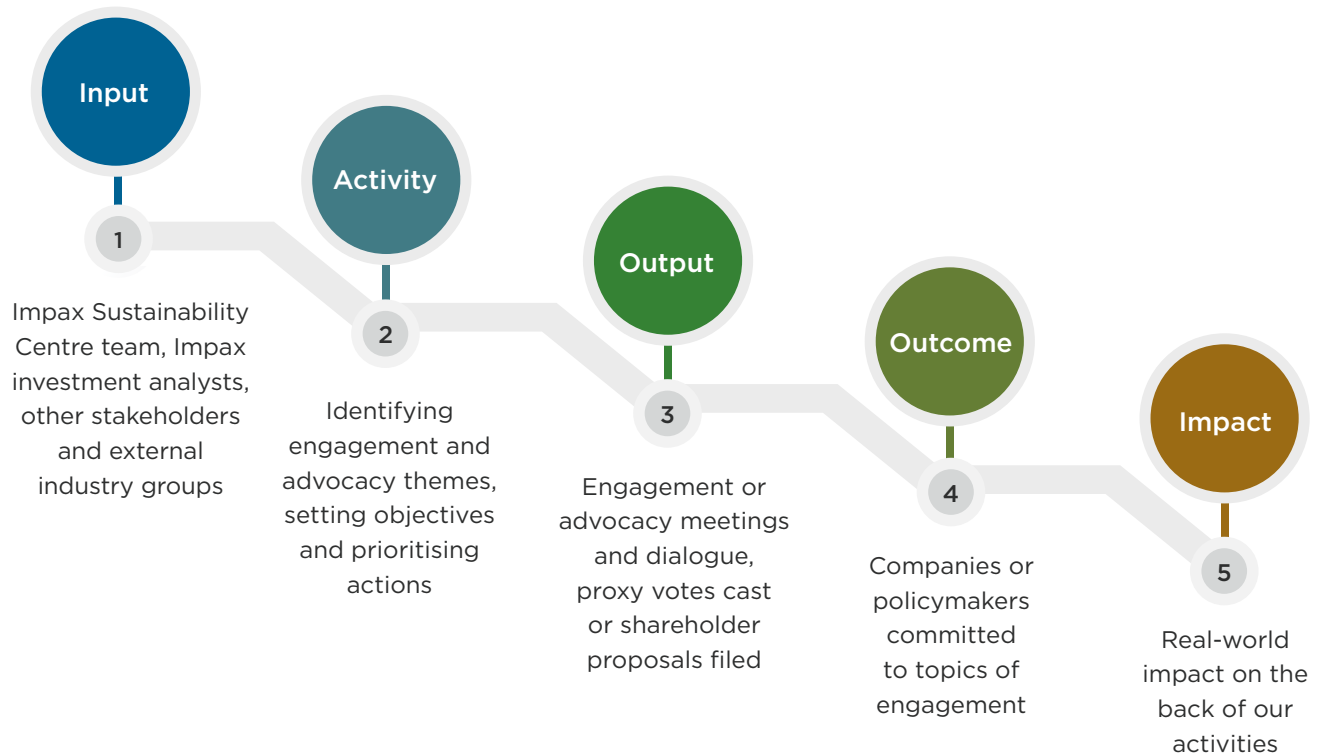
Chris Dodwell

Global Head of Policy & Advocacy, Co-Head of the Impax Sustainability Centre

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Stewardship impact value chain

From stewardship and advocacy activities to real-world outcomes and impact



The evolution of our reporting

We continue to organise our stewardship and advocacy work under four overarching themes: Climate, Nature, People and Governance. These longstanding priority areas are relevant and material to our companies and issuers, and we expect them to remain so for the foreseeable future.

As in recent years, this report, which covers the calendar year 2024, is structured according to these four themes. For each, we include details of a prominent company engagement and significant advocacy activities undertaken in 2024. By combining company engagement and policy advocacy, we aim to address challenging systemic risks by driving systems-level change through regulatory or policy changes. Examples of our systematic stewardship and collaborative engagements are also included, by theme.

Through engagement with our investee companies and issuers, we can aspire to have a real-world impact through, for example, encouraging action to reduce greenhouse gas (GHG) emissions from

business activities. This is an especially relevant issue given the nature of certain sectors that some Impax portfolios invest heavily in: industrials and materials companies whose products can ultimately reduce GHG emissions are often themselves very carbon intensive. While our progress on this issue, like others, is not linear, we aspire to make long-term progress in reducing systematic and company-specific risks.

Building on previous reporting, we include more detailed data on our engagement and proxy voting activities. As shown on page 9, we now disclose the breakdown of how each engagement has influenced our overall view and conviction in a specific company.

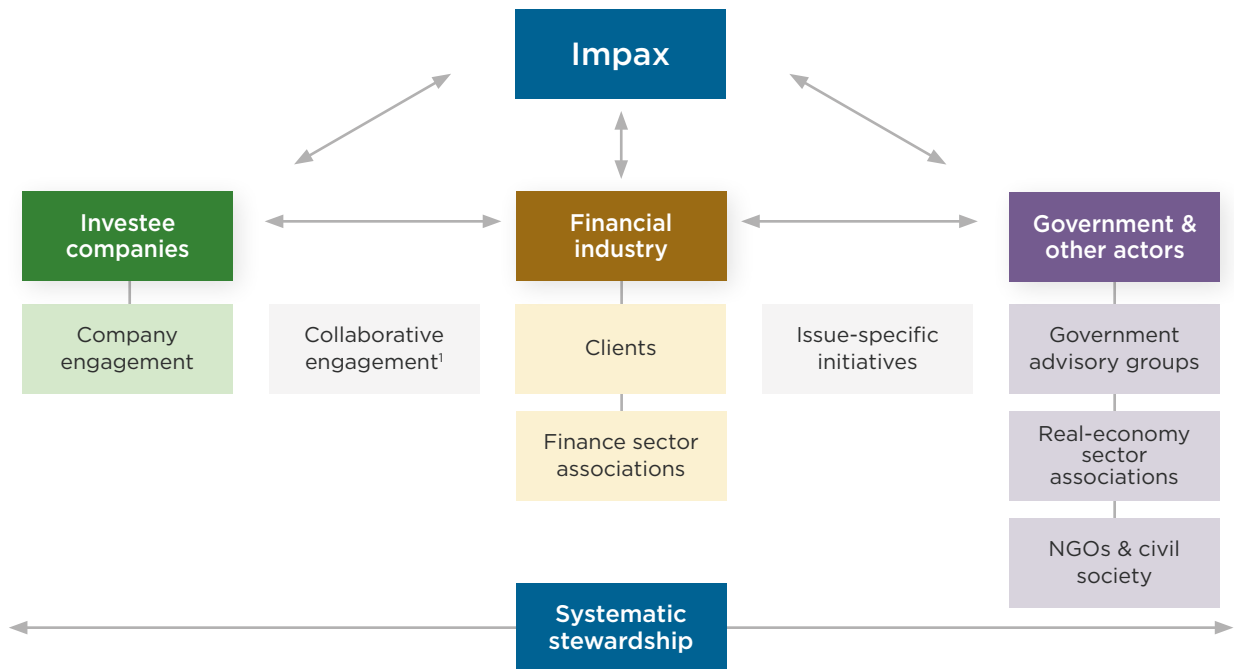
Increasingly, we look to measure and report the real-world impact of our stewardship and advocacy efforts. When showcasing our engagement and stewardship activities in this report, we employ the concept of a 'stewardship impact value chain', illustrated above.



Leveraging a breadth of stewardship and advocacy tools

Our holistic approach to stewardship and advocacy

We believe that the material sustainability-related risks impacting our investments can be achieved through focused, well-structured stewardship and advocacy activities. Our levers for accelerating change and addressing risks within the real economy range from company-specific engagements to policy advocacy initiatives aimed at addressing systemic risks. Our holistic approach to stewardship is summarised in the graphic below, which captures both the stakeholders with whom we engage and the core channels through which we do so.



Systematic stewardship

In recent years, we have broadened our use of systematic stewardship, where we combine company engagement, working with clients and peers, and policy advocacy in order to address challenging systemic risks by driving systems-level change.

In addition to our ongoing work on physical climate risks and adaptation planning (see 26), we plan to launch new systematic projects on corporate transition planning, AI and energy use and sectoral nature-related dependencies and impacts.

Channels of engagement

As well as direct dialogues with companies, clients, government and civil society, we use channels including:

Collaborative engagement: Net Zero Engagement Initiative, Nature Action 100

Financial sector associations: Ceres, IIGCC, PRI, UKSIF

Issue-specific initiatives: CFRF, ETC, GFANZ, IPDD

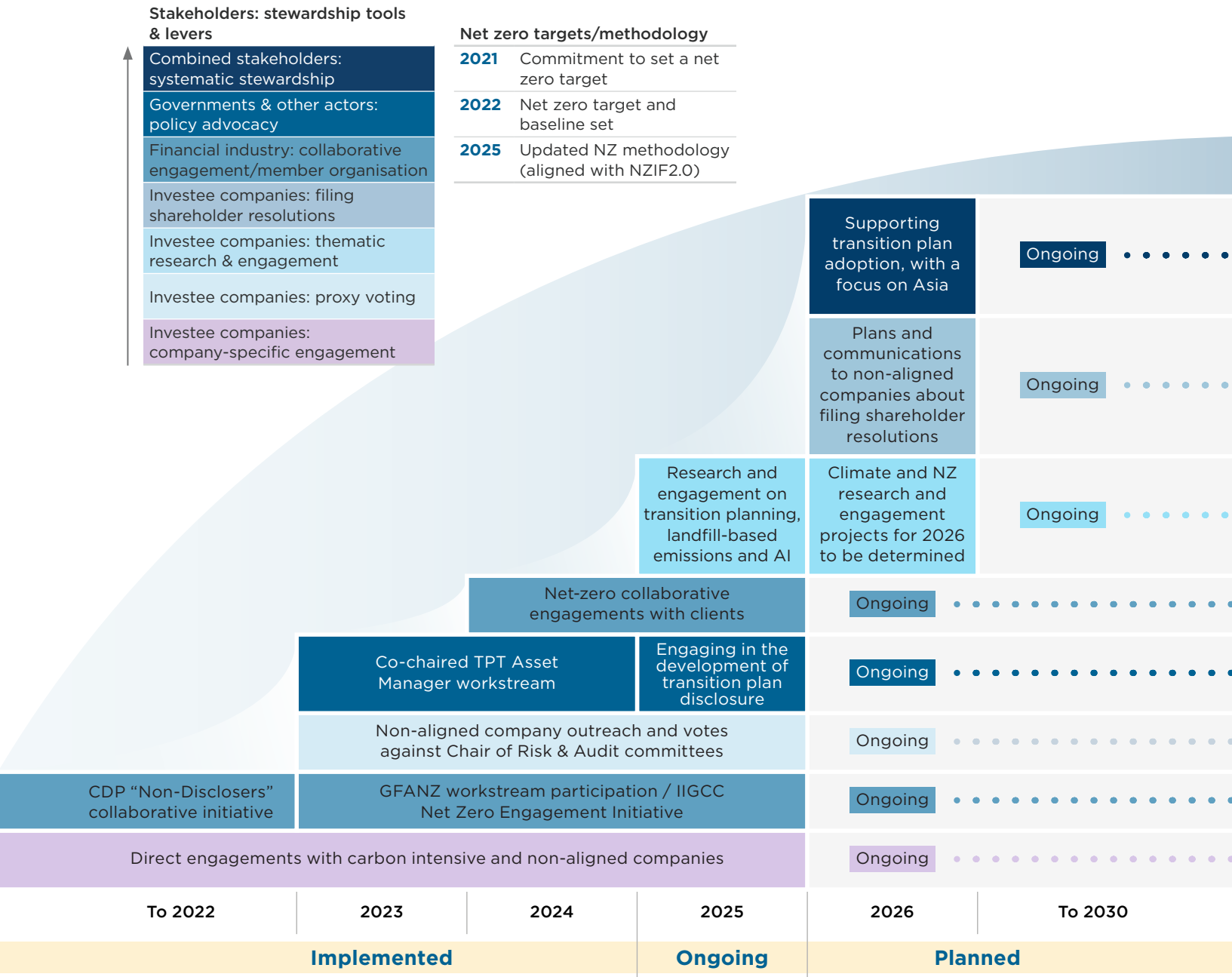
Government advisory groups: UK Net Zero Council

Real-economy associations: CBI, SMI

¹ While Impax may consult with other market participants on certain engagement efforts, Impax unilaterally determines whether and to what extent to engage with other stakeholders and all of Impax's investment decisions are independent and based on its own, unilateral strategy for maximising return on investment.

Using stewardship levers and escalation for positive outcomes over time

Impax net zero roadmap and timeline



The graphic above illustrates how we can leverage the breadth of our stewardship and advocacy activities in pursuit of an overarching goal: **in this example, furthering net zero alignment and transition planning.**

Each year, we have built on our activities, pulling levers through different channels and with different stakeholders, ranging from individual investee companies to governments and regulators.

We plan to continue building on our progress, continuing several net-zero related activities into 2026 and beyond, and commencing new programmes of stewardship and advocacy work. Parallel workstreams are underway in our non-Climate-related themes, too, and we look forward to sharing more detail on those in future reporting.



Engagement

Our investment process is focused on developing a comprehensive understanding of the character and quality of our investee companies and issuers. Engagement is fully integrated in our investment process, for both listed equities and fixed income, to mitigate risk and to enhance value and investment opportunities.

Engagement can help us to:

- Manage risks by proactively identifying, monitoring and mitigating issues
- Enhance company/issuer analysis – how companies/issuers respond to engagement is informative of their character
- Support investee companies seeking to improve quality, processes, transparency and resilience


Types of engagement

Bottom-up	Bottom-up, company/issuer-specific engagements where we actively engage on individual matters as part of monitoring and managing risks. We prioritise engagements based on the significance of risk issues and the size of our holdings.
Proxy voting	Proxy voting-driven engagements, both before and after companies' annual meetings, accompany dialogue with our investees throughout the year to discuss governance, sustainability processes and disclosures.
Top-down	Top-down, thematic engagements on long-term priority themes that are identified based on market developments and emerging sustainability issues that are material for our companies and issuers.
Systematic stewardship	Systematic stewardship that combines policy advocacy and company-specific engagements to address critical, but hard-to-engage areas with barriers to progress, by shaping companies' practices through regulatory or policy change.

Importantly, our investee companies' business models, products and services are generally aligned with the transition to a sustainable economy. This means that our engagements are usually not focused on changing companies' strategies or business models, but rather seeking to help improve how the companies are operating and the structures, processes and disclosures they have in place.

For our bottom-up, company specific engagements, the objective is typically to solve or improve an issue that has been identified as part of our Corporate Resilience analysis and when that objective has been achieved, move to the next objective or pause the engagement.²

² Corporate Resilience analysis is our proprietary approach to considering governance structures, the management of material environmental and social risks, climate risks (physical and transition), human capital management, and controversies, as part of the investment process.

An aerial photograph of a park featuring a winding red path that meanders through a dense forest of trees with bright yellow foliage. The path is bordered by a dark blue body of water. The image is partially obscured by a large white triangular graphic element on the left side.

For thematic engagement areas, which have been identified as significant or systemic issues that warrant particular attention, we have set specific steps as objectives that we seek to reach with engagements.



Engagement

We have continued to develop our methodology for classifying different types of engagement activity and formally distinguish between ‘outreach’ activities and engagement ‘dialogues’.

Outreach

Targeted contact with a company on a specific sustainability issue. Outreach can be an effective means of raising awareness of Impax’s perspective or expectations concerning a particular issue with a group of companies (a one-way communication). Outreach may also be used as a first step in establishing a dialogue with a company.

211 outreaches initiated in 2024,
with **188** companies



Engagement dialogues

Discussion with, or response from, a company either by email or by meeting/call on a specific or range of sustainability-related issues.

147 engagement dialogues in 2024,
with **120** companies³

46% led to progress
against objectives

7% led to
objectives achieved

³ In 24% of engagements undertaken with companies, the primary objective focused on communicating our view or ask, such as sharing our proxy voting guidelines, or where companies reached out directly to us for our feedback on sustainability disclosures, governance structures (particularly in advance of annual meetings) or materiality assessments. While we acknowledge that these types of engagements can be more introductory in nature, they are key for relationship building and longer-term engagement and may inform the development of further objectives.

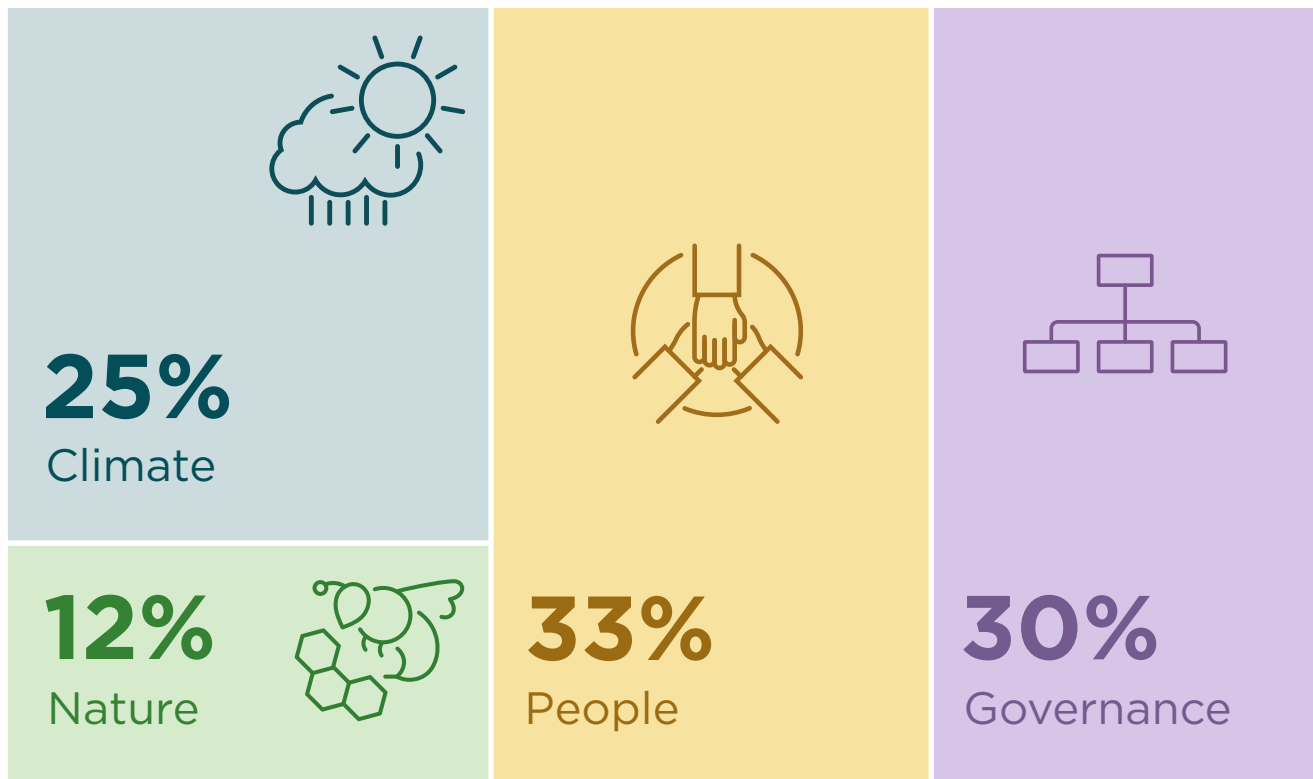
In 2024, we began measuring how each engagement has influenced our overall view and conviction in a specific company. Of total engagement dialogues in 2024:

29% resulted in a **more positive view**

62% resulted in a **neutral view**

9% resulted in a **more negative view**⁴

Number of engagement dialogues, by theme:

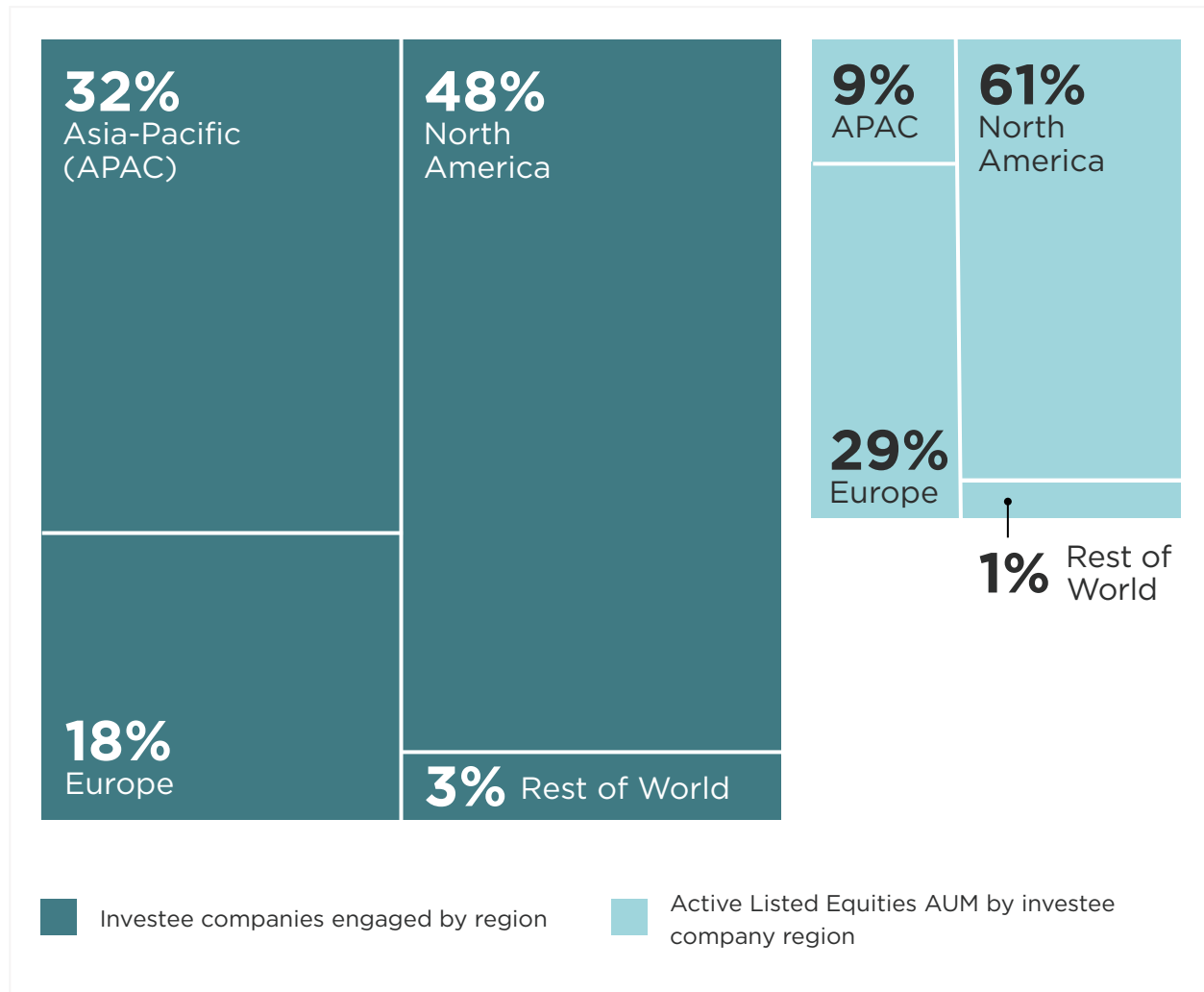


It is important to note that many individual engagement dialogues with investee companies in 2024 covered more than one theme.

⁴ Where an engagement resulted in a more negative view of a company, we seek to continue engagement and may consider the use of escalation activities as appropriate.



Where we engaged in 2024 by investee company region



The predominance of engagement dialogues with North American companies reflects the large proportion of our assets under management (AUM) that is held in US-listed company shares. Additionally, a widening divisive political climate in the US in 2024 and negative sentiment toward sustainability issues, particularly social issues, has underscored the importance of maintaining engagement and stewardship activities with US companies. Despite the challenging environment, we find that companies remain open to engaging with us.

We continued to focus on engagement with Asian companies in 2024, especially relating to governance, social themes and the financial impact of sustainability-related issues. The proportion of our global engagement dialogues conducted with companies based in the Asia-Pacific (APAC) region (32%, versus 9% in 2024) is now significantly greater than our portfolios' combined allocation to the region, by value. This skew reflects the reality that corporate governance practices and broader sustainability-related processes and disclosures are less established in Asia than in Europe or North America. We have observed Asian companies making progress overall in terms of setting targets and improving sustainability disclosures, though the pace of each company depends on their performance and regulatory environment.

Fixed income engagements

Engagement is an important tool within the fixed income investment process to monitor and manage risk, and to encourage and support investee companies and issuers to develop enhanced structures, processes and disclosures.

Our priorities for fixed income engagement stem from issuers' activities, which can be within harder-to-transition sectors or from issuer-specific risks relating to inadequate structures or processes, as well as controversies. There are similar types of engagements that are relevant and available in fixed income, as for equities: engagements can be bottom-up, company and issuer-specific, top-down, based on themes, collaborative with other investors and/or organisations as well as systematic, combining policy advocacy and issuer-specific engagements.

In 2024, the majority of fixed income engagements focused on People-related issues, particularly monitoring issuer-specific responses to criticism levied against equity, diversity and inclusion initiatives and regulatory developments in the US. As we continue to scale our fixed income capabilities, issuer engagement will be an area of focus in 2025 and beyond.

Private markets engagements

As part of our private markets investment process, we engage with investee companies, our joint venture partners and other external stakeholders including suppliers and sub-contractors.

In 2024, we undertook in-depth engagements with major solar panel manufacturers to review their processes to monitor forced labour risks in their supply chains. We compiled a whitelist of approved suppliers that could evidence low risk of forced labour in their own operations and supply chains. We have communicated this to all investee companies involved in the procurement of solar panels, with guidance on documentation which should be requested when placing an order. Specific clauses were added to all new contracts, which includes provisions on human and labour rights, to permit the completion of supply chain verification audits and to provide traceability documentation.

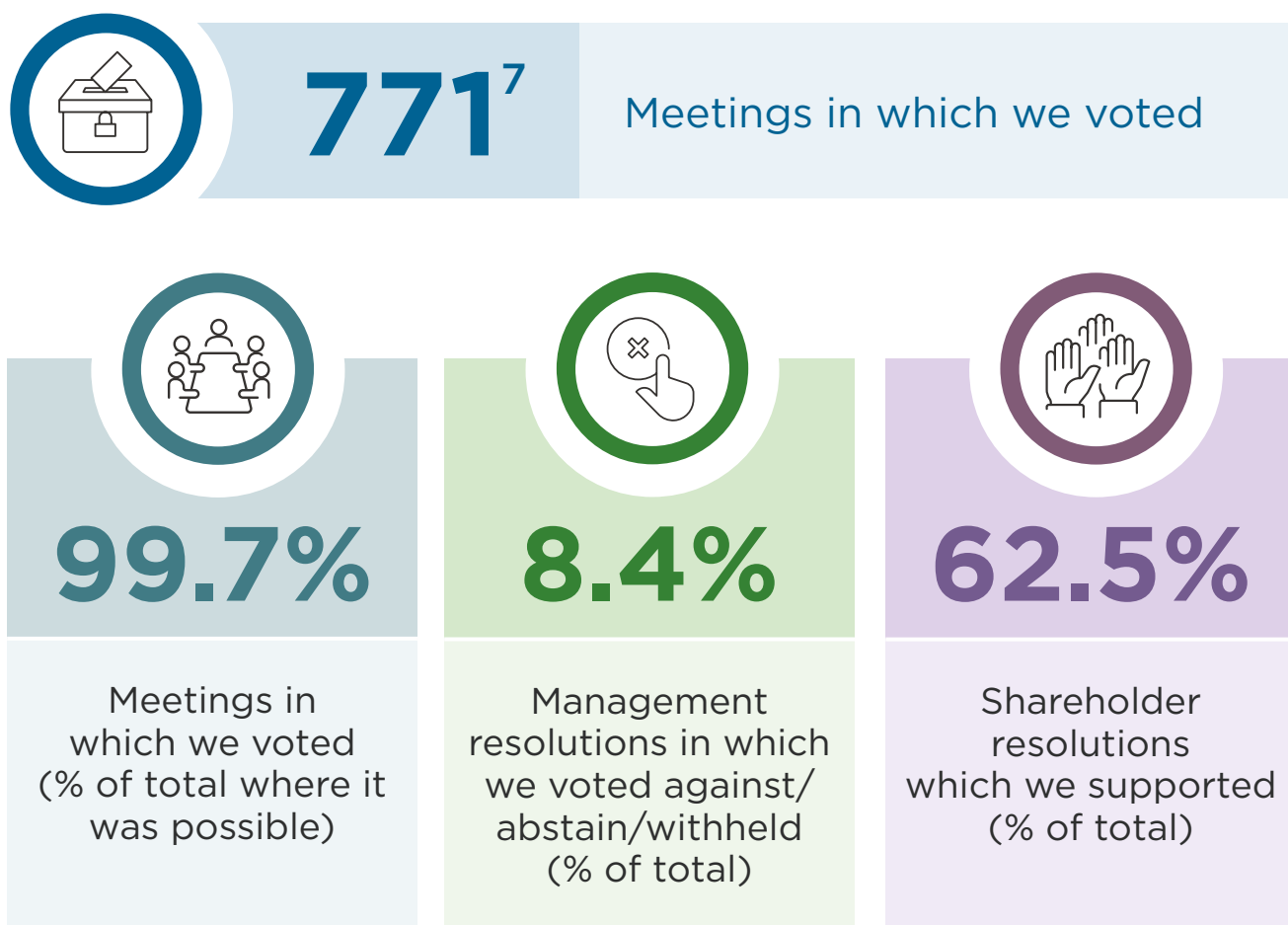


Proxy voting

We are committed to ensuring the consistent and transparent exercise of voting rights associated with shares we hold, where proxy voting has been delegated to Impax.

Our voting decisions – which are coordinated, researched and executed by the Impax Sustainability Centre – follow our publicly disclosed Proxy Voting Guidelines, which are informed by global governance best practices and are updated annually.⁵ Our approach to shareholder proposals has been consistently recognised.⁶

2024 summary



⁵ Impax Asset Management, 2025: Proxy Voting Guidelines.

⁶ Impax was ranked second in ShareAction's Voting Matters Report in 2023 for consistently voting in key environmental and social shareholder proposals, following top rankings in 2022, 2021 and 2020. Impax was not included for consideration in ShareAction's most recent (2024) report following changes to its methodology for selecting asset managers based on their size and geography.

⁷ Impax identified an issue with our proxy voting workflow on our proxy voting service platform in Q2 2024 that resulted in two unvoted meetings. This issue has been resolved and enhanced controls were implemented by the proxy voting service provider.



Voting is a key component in the ongoing dialogue with companies we invest in.

Impax's overall support for shareholder proposals decreased in 2024 to 62.5% (67.5% in 2023). Of the shareholder proposals we did not support, we categorised 42% as "negative", seeking to undermine rather than strengthen companies' sustainability processes and disclosures. While average support for these "negative" sustainability-related proposals fell in the low single digits, we expect variations of these proposals again in 2025.⁸

⁸ Harvard Law School Forum on Corporate Governance, 2024: Anti-ESG proposals surged in 2024 but earned less support.



Significant votes against management resolutions by topic

16%

Compensation

9%

Changes in company statutes

9%

Election of directors

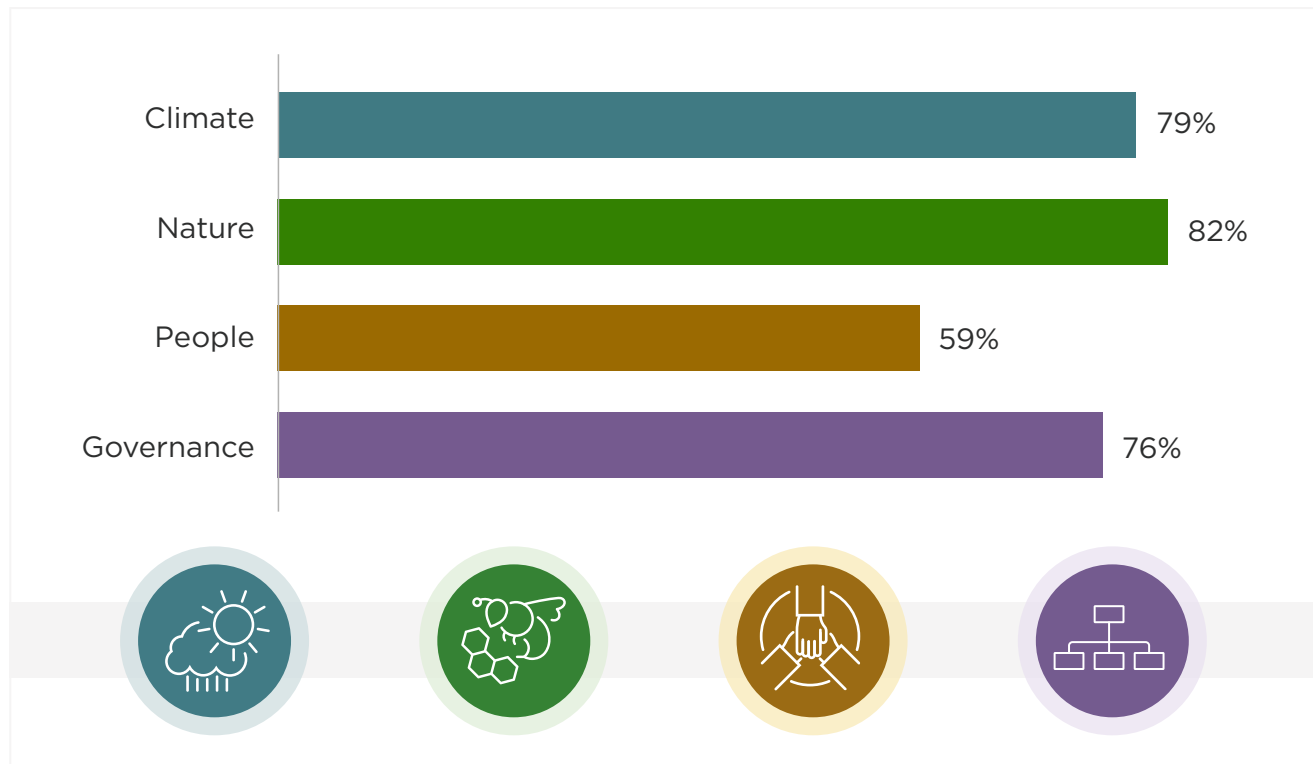
6% Capital management

60%

Other (including audit/financials, meeting administration and shareholder proposals, for example)



Votes in support of shareholder proposals by theme



Following the 2024 proxy season, we conducted outreach to 159 companies explaining our votes against management proposals. The outreach is an important component of our proxy voting process, providing an opportunity to highlight company-specific areas of concern (primarily relating to board composition and structure and executive compensation) and can also serve as the basis for longer-term engagements. The outreach, primarily intended as a one-way communication, yielded a 26% response rate.

Following the 2024 proxy season, we conducted outreach to 159 companies explaining our votes against management proposals.

Policy advocacy

The principal purpose of our policy advocacy work is to help address systemic risks and facilitate the systems-level change needed to realise opportunities arising from the transition to a more sustainable economy.

We are active across a range of channels ranging from traditional reactive approaches – working through industry associations, responding to consultations and participating in issue-specific initiatives and sign-on letters – to more innovative proactive interventions such as publishing our perspectives, funding research, partnering with clients and bilateral discussions with policymakers. The key channels for our policy advocacy work are as follows:

Through industry associations

We work collaboratively with our peers to support the development of more effective sustainable finance and real economy policies that help to catalyse the transition to a more sustainable economy. We also play an active role in a wide range of industry association working groups that aim to address market-wide and systemic risks, several of which are featured in this report. Our current memberships are listed on page 48. These are tiered based on our role in and contribution to each membership, and mapped to our priority sustainability themes.

Through thought leadership

For many years, we have published our perspectives and commentaries in reports, blogs and opinion pieces in order to raise awareness across a broad array of topics linked to sustainability and the transition to a more sustainable economy. We often collaborate with specialist organisations, academic partners and clients to develop this thought leadership content, which is published to the [Impax website](#).

Directly with policymakers and regulators

Making our voices heard with policymakers has been an important part of our work for decades. We believe it is crucial for investors to participate more closely in public policy design in order to accelerate the transition to a more sustainable economy. As well as responding to consultations on the design and implementation of public policy, our team frequently meets with policymakers and regulators bilaterally and through industry associations. We strive to influence policy outcomes that support the growth of markets in solutions to environmental and social challenges. Through such advocacy, we can both maximise the effectiveness of policies and identify future investment opportunities.

Systematic stewardship

Over the last few years, we have been broadening our use of systematic stewardship to drive change in challenging areas, with barriers to progress.

We include updates on two important examples of our systematic stewardship on physical climate risk and adaptation, and on corporate governance in Asia, on pages 26 and 47, respectively.





Priority themes for stewardship and advocacy

Each year we assess and outline the priorities of our stewardship and advocacy activities for the next 12 months. These priorities are based on market developments and emerging sustainability-related issues that are relevant and material to our companies and issuers.

Our areas of priority remain climate, nature, people and governance. Our stewardship and advocacy activities within these areas are focused on the following:



Climate

- Net-zero alignment and transition planning
- Increasing resilience to physical climate risks



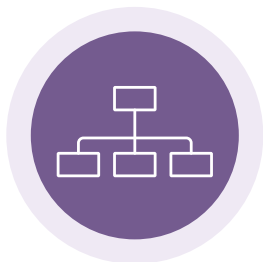
Nature

- Nature-related dependencies and impacts, including adoption of Taskforce on Nature-related Financial Disclosures (TNFD)
- Tackling deforestation risks



People

- Corporate culture
- Human rights due diligence



Governance

- Board structure and independence
- Executive compensation
- Oversight of sustainability-related risks





Climate



Climate risks, both transition and physical, are systemic issues that affect all companies across all economies. These risks are central to our stewardship and advocacy efforts, and we firmly believe that climate-related risks and opportunities will increasingly shape investment performance across global markets for decades to come.

Stewardship activities

Nearly 60% of climate-related engagements addressed objectives relating to companies transitioning to net zero, including improving GHG emissions disclosure, particularly Scope 3 emissions, setting science-based targets, and developing or implementing transition plans.

In line with our commitment under the Net Zero Asset Managers (NZAM) initiative, many of these engagements focused on investee companies currently assessed as 'non-aligned' to the transition to net zero. Nearly one-quarter of climate-related engagements specifically addressed adaptation and resilience to physical climate risks, particularly with utilities companies. The remainder of engagements addressed both transition and physical climate risks in the same engagement.

With respect to climate-related shareholder proposals, we voted on topics such as transition plan reporting, emissions reductions targets, say on climate, clean energy financing, alignment with the Paris Agreement and just transition reporting. While we supported 79% of the climate-related shareholder proposals that we were eligible to vote on, we noted overall support among investors declined in 2024.



66

Engagement dialogues
in 2024 focused on
climate-related issues



Company engagement China Longyuan Power Group

Sector: **Utilities**
Geography: **China**

Theme: **Climate**
Type: **Collaborative**

China-listed China Longyuan is the largest wind power producer in China, engaged in manufacturing and operating wind power plants and selling electricity generated.⁹

Engagement objectives

1. Disclose Scope 1 & 2 GHG emissions (achieved, 2024)
2. Set net zero-aligned, science-based GHG reduction targets (in progress)
3. Divest from coal-fired power assets (partially achieved, 2024)

Activities

We identified China Longyuan as ‘non-aligned’ to a net-zero pathway due to insufficient climate risk management processes and performance. In 2024, as part of the Institutional Investors Group on Climate Change (IIGCC)-coordinated Net Zero Engagement Initiative, we signed a letter seeking confirmation that the company had developed, or intended to develop, a Net Zero Transition Plan including a commitment to net zero, setting science-based reduction targets and reducing its overall GHG emissions.

At the company’s 2024 AGM, we voted against the Director’s report for insufficient progress in developing robust climate risk management processes. In December 2024, we visited the company’s headquarters and met with the management team to discuss these issues further.

Outcomes

The company disclosed its Scope 1 and 2 GHG emissions for the first time in its latest sustainability report and, after our discussion, confirmed that it would consider disclosing a roadmap to achieving net zero in future reporting.

The company has also taken an initial step to strengthen its climate-related governance and oversight by establishing a board-level sustainability committee to oversee climate-related risks. Its recent disclosure of management compensation included environmental and social indicators, although we expressed our preference for explicitly incentivising performance on emissions reductions.

The company confirmed that it had sold one of its two coal plants and plans to sell the remaining one in 2025.

Next steps

We will continue to monitor the company’s progress on divesting from remaining coal assets and support its efforts to develop a comprehensive net-zero transition plan. Additionally, we will review the impact of linking executive compensation to sustainability-related metrics and ensure ongoing sustainability training for directors.

⁹ Sustainalytics, December 2024. Largest by installed wind electricity generation capacity.



The company has strengthened its governance of climate-related risks, and disclosed emissions data for the first time in its latest reporting.



Advocacy

During 2024, we continued to engage with policymakers and other stakeholders on three critical climate-related topics: national transition planning; corporate transition planning; and physical climate risks and adaptation.

National transition planning

A central theme of our policy advocacy since 2020 has been to encourage governments to develop national transition plans, consisting of ambitious emissions reduction goals, underpinned by sectoral pathways, and dialogues with investors on detailed policies needed to attract private capital.¹⁰ We also called for these policy frameworks to be reflected in Nationally Determined Contributions (NDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC).

During 2024, we engaged with the networks below to communicate with governments on how to develop net-zero policy frameworks that provide the confidence and certainty needed to attract private investment. We were pleased to see our contributions reflected in investor manifestos and calls to action ahead of UK and European elections and in papers calling for ambitious international action ahead of the COP30 climate summit, to be held in late 2025.

Institutional Investors Group on Climate Change (IIGCC)

The IIGCC published numerous sets of investor expectations and recommendations including ‘calls to action’ ahead of the UK General Election and the EU Parliamentary elections, recommendations on developing ‘investable’ NDCs ahead of the COP29 climate summit, and most recently a set of principles for developing sector decarbonisation roadmaps.

UK Sustainable Investment Forum (UKSIF)

UKSIF released a set of policy research papers ahead of the 2024 UK General Election outlining key recommendations for the incoming government. The reports were aimed at unlocking the private investment needed to decarbonise the UK’s three highest emitting sectors – energy, housing and transport – and establishing the UK as the world leader in sustainable finance.

Energy Transitions Commission (ETC)

The ETC is a global coalition of leaders from across the energy landscape committed to achieving net-zero emissions by mid-century. We were a significant contributor to an ETC report, published in June 2024.¹¹ It called for industry and government collaboration to raise the ambition of the next round of NDCs by COP30 by reflecting technical potential and reinforcing existing progress to set more ambitious targets with stronger links to national policies.

UK Net Zero Council

The Council is a partnership between government, business and finance, providing cross-cutting strategy across sectors to deliver the UK’s net-zero target. During 2024, the Council met quarterly to review sectoral roadmaps developed by 12 industry sectors, to identify cross-cutting challenges, and to explore solutions to financial barriers to scaled up action. In December 2024, the new government relaunched the Net Zero Council to provide expert insight, to drive action towards decarbonisation across the UK economy, and to communicate to the wider business community. Ian Simm is a Council member.

¹⁰ Impax, July 2020: Clean Investment Roadmaps: A framework for building clean energy economies.

¹¹ ETC, June 2024: Credible Contributions: Bolder Plans for Higher Climate Ambition in the Next Round of NDCs.

Corporate transition planning

Transition Plan Taskforce (TPT)

Impax is a strong supporter of the TPT's 'strategic and rounded' approach. This recommends that a company's transition plan focuses not only on how to decarbonise its operations and value chain, but also how it will respond to climate-related risks and opportunities and accelerate the transition to a net-zero, climate-resilient economy. Chris Dodwell co-chaired the working group developing the TPT Asset Managers Sector Guidance, published in April 2024. The report provides tailored guidance for asset managers on how to prepare transition plans in line with the TPT's disclosure recommendations and provides links to relevant third-party guidance.

Ceres Avoided Emissions project

This project, initiated with Ceres in 2023, involved conducting a landscape analysis of existing methods for calculating avoided GHG emissions, the merits of specific methodologies to specific situations and understanding how avoided emissions may fit into corporate transition plans and investor climate action plans. The final report, *Investing in the Future: Unlocking Value Through Avoided Emissions*, was issued in 2024, and Ceres recapped its major findings in investor working groups.¹²

Sustainable Markets Initiative Asset Owner/Asset Manager Taskforce

During 2024, we co-led a project as part of the Sustainable Markets Initiative (SMI) to share lessons learnt from asset owners on how they allocate capital in the context of climate change. As part of the project, we invited 11 chief investment officers (CIOs) to discuss their approach to effectively managing climate risks and opportunities in their portfolios and business strategy. Findings were amalgamated into a public report, *The climate has changed: How CIOs are investing in a climate-resilient economy*, which shares lessons for all asset owners and managers in planning their response to climate change.¹³ The project also brought together a CIO panel during New York Climate Week to discuss the report's findings and identify common barriers faced across the industry.

Physical climate risks and adaptation

UK CFRF

During 2024, Impax continued to co-chair the Adaptation Working Group (AWG) alongside the Green Finance Institute. We were a lead author of the October 2024 report, *Mobilising Adaptation Finance to Build Resilience*, which provided guidance for the industry to assess physical risks they face and to facilitate increased levels of investment into climate adaptation to respond to those risks as an opportunity. To support effective decision making under uncertainty, the report recommended the use of the ABC framework of scenarios: Aiming for 1.5°C, Building and budgeting for 2°C and Contingency planning for 2.5°C by 2050. The report also included a set of adaptation finance-focused case studies, a searchable database of hazard data sources and a searchable adaptation taxonomy database. We summarised the recommendations in [an Insights article](#).¹⁴

¹² Ceres, August 2024: Investing in the Future: Unlocking Value Through Avoided Emissions

¹³ Sustainable Markets Initiative, October 2024: The climate has changed: How CIOs are investing in a climate-resilient economy

¹⁴ Impax, November 2024: Mobilising finance to achieve a more resilient economy.



Systematic stewardship

Physical climate risks and adaptation

Together with a New York-based public plan and other investors, we have been engaging companies regarding their exposure to, and preparedness for, extreme climate events over the past five years. As detailed in last year's report, we undertook initial outreach to all constituents of the S&P 500 Index of large-capitalisation US companies in 2020 and have since followed up with smaller, targeted engagements with sectors most exposed to physical climate risks.

Engagement objective

The objective of this engagement is to encourage companies to recognise and build resilience to physical climate risks. We find that while companies are now more likely to understand that physical risks can be material to their businesses, there remains a significant gap between what investors need to know and what companies are doing in evaluating physical risks. Many companies have adjusted their business continuity plans or conducted their own analyses of their value chain vulnerabilities, but this is very far from conducting the kind of analysis – including scenario analysis – needed to price physical risk.

Activities

In 2024, the engagement focused on utility companies and efforts to make their generation and transmission assets more resilient to extreme weather. Utilities are often subject to litigation when their transmission lines start wildfires.

Outcomes

We found that utilities vary widely in their perception of climate physical risk, and preparedness for it. Without exception, the companies best prepared to deal with future climate disasters have already been through at least one, such as a major wildfire incident, and that the lessons learned changed their planning processes.

Next steps

In 2025, the investor group will focus on reinsurance companies and their efforts to support climate resilience and adaptation.

Thought leadership: Seeking resilience

As part of our long-term systematic stewardship on the topic of physical climate risks and adaptation, colleagues have produced regular thought leadership for a range of stakeholders, including clients and policymakers. In September 2024, we published a paper, *Seeking Resilience*, that reviewed Impax's pioneering engagement on physical climate risks since 2020.¹⁵

In this paper, we outlined information that is needed to improve physical risk assessment and pricing, and offered insights and lessons for future stewardship work in relation to climate resilience. The key points were as follows:

- Creating climate resilience starts with defining the specific physical climate risks which each company faces. Companies need to be able to model or simulate multiple different events and conditions, in any geography where they have significant assets or value chain dependencies (such as transportation infrastructure). They also need to imagine and build resilience for events they haven't experienced yet, via appropriate climate modeling and scenario analysis. Most companies seem unable or unwilling to construct scenarios for high impact, low-probability events.
- Specific information that investors need from companies to assess physical risk includes geolocation of key assets and value chain nodes, value-at-risk, and actions and capital expenditure needed to build resilience. These should be publicly reported.
- To address physical climate risk, we must plan and invest today for a more volatile and uncertain future, where extreme weather events are not once-in-a-blue-moon "acts of God", but rather scenarios with estimated likelihoods, that affect physical assets in a predictable way.

¹⁵ Impax, September 2024: Seeking Resilience.



Nature



We believe that the financial sector can play a critical role in addressing environmental degradation by both influencing companies to stop depleting natural resources and by deploying capital into solution providers whose products and services play a positive role in alleviating the pressures on biodiversity.

Stewardship activities

Given the relative nascency of company approaches to nature-related risks, we continued to pursue objectives focused on asking companies to assess their dependencies and impacts on nature or discussing the outcomes of their assessment, where undertaken; improving oversight of nature-related issues at board/executive level; and asking for improved disclosure on nature-related governance, risk management, strategy and metrics/targets, in line with the TNFD requirements. This also covered engagements addressing waste, chemicals and pollution management.

Nature-related topics such as water, deforestation and plastics have been a focus of shareholder proposals recent years. While we supported 82% of the nature-related shareholder proposals in 2024 that we were eligible to vote on, we did not see a significant growth in the number of proposals filed on this topic, particularly as it related to dependencies and impacts assessments. This remains a complex and relatively new issue for many companies, data challenges are present (accuracy, consistency) and disclosure remains in its early days, with relatively few clear leaders at this stage.



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Engagement dialogues in
2024 focused on
nature-related issues



Company engagement **American Water Works**

Sector: **Utilities**
Geography: **US**

Theme: **Nature, People**
Type: **Collaborative**

American Water Works is the largest listed regulated supplier of drinking water and wastewater services in the US.

Engagement objectives

1. Improve oversight and management of nature-related risk (partially achieved, 2023)
2. Assess and disclose nature-related dependencies and impacts (not started)
3. Assess and disclose impact on members of local communities (in progress, 2024)

Activities

We have engaged with American Water in recent years on its sustainability-related disclosures and its management of human capital. Throughout 2023 and 2024, our engagement focused on understanding the company's assessment of its nature-related dependencies and impacts. We continued to engage on this issue in collaboration with one of our clients, who is also an American Water shareholder.¹⁶

We have regularly communicated our proxy voting decisions to the company and, in 2022 and 2023, this included our support for a shareholder proposal requesting that it assess the racial impact of its policies, practices, products and services. The proposals received support of 47% and 39%, respectively.

Outcomes

American Water explained that biodiversity considerations are integrated into company operations and span capital planning, water use and efficiency, wastewater treatment and environmental grants. The company acknowledged that it could improve its public reporting on biodiversity and, in its 2023 Sustainability Report (published in July 2024), included a section on biodiversity for the first time, specifically citing feedback from shareholders.

The company continues to evaluate frameworks such as TNFD for potential future disclosures. In 2024, the company also announced that it would conduct an environmental justice assessment to help identify, analyse and measure the potential impact of its business on the communities it serves. The company selected a third-party to conduct the assessment and the results will be published in its 2024 Sustainability Report (anticipated in summer 2025). We encouraged the company to consider whether there may be scope within the assessment to consider aspects of biodiversity.

Next steps

We will continue to monitor American Water's biodiversity and nature-related disclosures and review the outcomes of its environmental justice assessment.



In 2024, the company outlined its approach to biodiversity for the first time in its sustainability report.

¹⁶ Where Impax participates in collaborative engagement activities with other shareholders, it does so on an independent basis and in accordance with its own policies. The purpose of such collaborative engagements is to facilitate an independent and free exchange of ideas and views among shareholders that relate to seeking improvement of the long-term performance of investee companies and/or changes in investee company practices without the purpose of acquiring, holding or disposing of securities to effect or influence a change of control in investee companies or as a participant in any transaction having such purpose or effect.



Advocacy

We believe that the financial sector can play a critical role in addressing environmental degradation by both influencing companies to stop depleting natural resources and by deploying capital into nature-based solutions.

During 2024, our nature-related advocacy activities included the following three initiatives:

Taskforce on Nature-related Financial Disclosures (TNFD)

We have been a strong supporter of the TNFD – a global initiative to encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities – since its inception. We believe that the recommendations play an essential role in aligning financial flows to a nature positive transition, by providing a risk management and disclosure framework for organisations to report on nature-related dependencies, impacts, risks and opportunities.

During 2024, we focused our engagement through the TNFD Secretariat's UK Consultation Group, which holds regular UK asset manager peer-to-peer sessions to share lessons on TNFD implementation. In May 2024, we responded to the TNFD's consultation on its discussion papers on advanced scenario analysis and biodiversity footprinting approaches for financial institutions. We are committed to voluntarily reporting on our own nature-related risks in 2026. We have included a graphic on page 33 to demonstrate the progress we have made on our own alignment to the TNFD framework in preparation for publishing our Nature Report in June 2026.

Investor Policy Dialogue on Deforestation (IPDD)

We are an active member of the IPDD, an investor collaborative initiative that engages on the issue of deforestation with policymakers and industry associations in both forest-rich and consumer countries. We are particularly active in the Consumer Countries working group, launched in 2023, which focuses on legislation requiring end-users of commodities to take action within their supply chains, such as the EU Deforestation Regulation.

In October 2024, we co-signed a letter to UK ministers calling on the government to introduce the Forest Risk Commodities legislation set out in the Environment Act 2021 as a priority. This letter explained the importance of halting deforestation to investors, highlighting both the systemic risks and the financial, reputational, operational, litigation and regulatory risks due to investment in companies or instruments that are directly or indirectly linked to global supply chains containing forest-risk commodities. As a follow-up to the letter, Impax and other IPDD members met with Climate Minister Kerry McCarthy in January 2025 to discuss how to encourage closer work between investors and UK policymakers on tackling deforestation.

In addition, in December 2024, the co-chairs of IPDD published an investor statement in support of the EU Deforestation Regulation ahead of voting by the European Parliament on amendments to delay implementation and possibly water down its effect.¹⁷

GFANZ Nature in Transition Planning workstream

As a member of this workstream, we helped develop a consultation paper on voluntary, supplemental guidance on how financial institutions can integrate nature considerations into net-zero transition planning which was published in October 2024 at the COP16 biodiversity summit. Our comments in response to the consultation suggested that additional clarity be added to note that not all biodiversity initiatives were completely aligned with climate mitigation, and vice versa.

¹⁷ IPDD, 13 November 2024: Investor statement in support of the European Union Deforestation Regulation (EUDR).

Impax's approach to nature-related reporting

1

What have we committed to?

- In September 2023, the TNFD launched its final set of recommendations on nature-related reporting.
- Following this, Impax signed up to become an early adopter of the TNFD recommendations, committing to reporting on our approach to nature-related issues on a voluntary basis by 2026 (for 2025).
- The TNFD recommendations provide a framework for organisations to assess, manage and report nature-related risks and opportunities.
- The TNFD recommendations are structured into the following four pillars, which align with TCFD: governance, strategy, risk management, and metrics and targets.

2

Our progress so far

- We already have a well-established methodology for assessing sustainability-related risks – including nature – in our investment portfolio. See Impax's 2025 Climate Report for more details.
- During 2025, we have been further formalising certain additional areas including nature-specific governance arrangements and leveraging new data sources into our assessment of nature-related dependencies, impacts, risks and opportunities.
- We are also assessing the use of appropriate metrics to monitor nature-related risks.

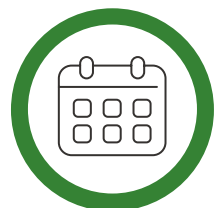
3

Planned approach for reporting

- Our intention is to publish a standalone group-level Nature Report. This will cover all of Impax's AUM, across listed equities, fixed income, and private markets.
- We will signal aspects of the TNFD framework to which our approach will continue to evolve over time, providing a roadmap for evolving our reporting in this area.
- In future years, we will seek to consolidate our nature-related reporting with other sustainability reporting to provide a more integrated picture of how we assess and manage a range of sustainability-related risks and opportunities.

Planned reporting timeline:

We intend to publish our standalone Nature Report at the end of June 2026, alongside other key sustainability reporting.





Collaborative engagement

Nature-related impacts and dependencies

In 2023, Impax became a signatory to the Nature Action 100 initiative led by the IIGCC and Ceres. The initiative established a set of six investor expectations pertaining to corporate ambitions, assessment, targets, implementation, governance, and engagement with stakeholders.

Engagement objective

The objective of this engagement is to encourage companies to recognise and evaluate their impacts and dependencies on nature.

Activities

In 2024, we participated in collaborative engagements with all five companies allocated to Impax. We have seen varying levels of company responsiveness and engagement with the initiative. As a co-lead on the engagement group with Unilever, we initiated an initial engagement meeting asking the UK-listed consumer goods company to undertake an in-depth assessment of its dependencies and impacts on nature.

Outcomes

Unilever committed to disclosing and discussing the outcomes of this assessment with the group when complete, which was anticipated by end of 2024. Despite a positive first meeting, progress has been limited to date given multiple leadership changes at the company, and resulting changes to strategy, over the last 18 months.

Next steps

The investor group was pleased to see the publication of Unilever's updated Climate Transition Action Plan in April 2024, with a strong focus on regenerative agriculture and forest risk commodities and has scheduled a follow-up meeting in 2025 to discuss progress.

Thought leadership

In March 2024, we [published our perspective](#) on how the scale of exposure to nature-related risks means investors must urgently understand the drivers of biodiversity loss and invest in ways to reduce them.¹⁸ While understanding of how to invest in solutions to biodiversity loss remains nascent, solutions to each of the overarching drivers of biodiversity loss do exist and, to varying extents, present investable opportunities. Limited data on nature-related impacts remains an issue, but investors can continue to advance their understanding by mapping the activities of their portfolio companies.

¹⁸ Impax, March 2024: Investing to address biodiversity loss





People

We consider human capital to be a systematic priority for all companies; a perspective that is grounded in extensive research linking inclusive cultures with stronger financial outcomes.

Stewardship activities

Throughout 2024, we monitored company responses to criticism levied against firm equity, diversity and inclusion initiatives and regulatory developments in the US.¹⁹

Following outreach to specific companies who purportedly abandoned inclusion efforts and resulting dialogues, we raised this topic in the vast majority of engagement discussions with companies in the latter part of 2024. Through these engagements, we conveyed the importance of effective inclusion initiatives to long-term business success and confirmed company commitments to continue their work in this area and provide public reporting.

We noted a significant proportion of 'negative' shareholder proposals in 2024 focused on people-related topics. As a result, we supported 59% of shareholder proposals that we were eligible to vote on that addressed human rights, pay gap reporting, inclusive culture reporting, hiring practices, and health & wellness benefits. We expect this 'negative' focus on people-related issues to intensify in 2025 with US companies under increasing pressure to alter their efforts to advance an inclusive culture.

¹⁹ Diversity can be defined as the presence of difference within a given context, such as an organisation. Equity means people have fair access, opportunity, resources and power to thrive. The goal is to achieve greater fairness of treatment and outcomes. Inclusion can be described as the actions taken to understand, embrace and leverage the unique strengths and facets of identity for all individuals so that they feel welcomed, valued and supported. Source: UNPRI: Diversity Equity and Inclusion.

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Engagement dialogues in
2024 focused on people-
related issues



Company engagement **Shimano**

Sector: **Leisure Products,
Consumer Discretionary**
Geography: **Japan**

Theme: **People (Human Rights)**
Type: **Collaborative**

Japan-listed Shimano is a multinational manufacturer of cycling components, fishing tackle and rowing equipment.

Engagement objectives

1. Understand Shimano's investigation into and response to allegations of forced labour (achieved, 2024)
2. Improve disclosure of human rights policies (partially achieved, 2024)
3. Improve supplier due diligence processes (in progress)

Activities

In late 2023, allegations of forced labour at Kwang Li Industry (KLI), a Malaysian supplier to Shimano, surfaced. In collaboration with one of our clients, we engaged with Shimano throughout 2024 to better understand the nature of these allegations and the actions taken by the company in response, and to encourage stronger supplier due diligence and oversight.²⁰

Shimano launched an investigation into allegations that workers were charged recruitment agent fees to work at KLI with an external third-party, speaking with workers and conducting surveys in the process. The company confirmed that workers should not be charged such fees and that KLI had signed its Code of Conduct which prohibits the practice. The company reported that it required KLI to provide compensation to the employees who were affected by forced payment of recruitment agent fees, though it declined to disclose the amount paid. Shimano also discussed the development of a grievance programme and stated that it has conducted additional human rights due diligence since the incident was reported.

Outcomes

Having concluded its investigation and ensured compensation for affected workers, Shimano has established a Social and Ethics committee to oversee human rights-related issues and published an updated human rights policy on its website. The company has also required all suppliers to sign its Code of Conduct to protect human rights and has committed to increasing the number of on-site audits of overseas suppliers.

Next steps

We have encouraged Shimano to disclose more detail about the outcome of the KLI investigation, remediation steps, improved due diligence processes and grievance mechanisms in its next annual report. We will continue to monitor the progress of Shimano's supplier audits and encourage the company to further strengthen its supply chain oversight. We will also review Shimano's updated human rights policy and follow up to understand which countries and suppliers it has prioritised beyond Malaysia.



The company has established board-level oversight of human rights and committed to increasing the number of on-site audits of overseas suppliers

20 Where Impax participates in collaborative engagement activities with other shareholders, it does so on an independent basis and in accordance with its own policies. The purpose of such collaborative engagements is to facilitate an independent and free exchange of ideas and views among shareholders that relate to seeking improvement of the long-term performance of investee companies and/or changes in investee company practices without the purpose of acquiring, holding or disposing of securities to effect or influence a change of control in investee companies or as a participant in any transaction having such purpose or effect.



Advocacy

We continue to explore opportunities to use our influence, as investors, to push for positive social change. Recent initiatives have focused on human capital management and human rights due diligence, and we continue to advocate for improved diversity policies.

In 2024, we established a Social Impact and Engagement working group, which meets quarterly and includes members of our investment team and the Sustainability Centre, to improve the coordination of our internal and external activities in this area.

During 2024, our people-related advocacy activities included the following initiative:

Investors Against Slavery & Trafficking Asia Pacific

The Investors Against Slavery and Trafficking Asia Pacific (IAST APAC) initiative was established in 2020 to engage with companies in the APAC region to promote effective action in finding, fixing and preventing modern slavery in their operations and supply chains.

We continue to drive meaningful progress through active participation in the Taiwan Semiconductor Manufacturing Company (TSMC) Working Group. Through focused dialogue and engagement, we have been collaborating with the Taiwanese semiconductor manufacturer on enhancing its human capital management practices, including workforce development, diversity and employee wellbeing. Our efforts reflect a shared commitment to fostering long-term resilience and value creation within the company and across its industry.



We consider human capital to be a systematic priority for all companies and continue to explore opportunities to use our influence to push for positive social change.





Governance



We believe that companies need to demonstrate sound risk management, and be able to adapt intelligently to changing conditions, if they are to successfully navigate the opportunities and risks arising from the transition to a more sustainable economy.

Stewardship activities

Engagements under this theme included dialogue with investee companies before, during, and after proxy season to discuss specific AGM-related proposals or broader governance structures. In 2024, the majority of governance-related objectives sought to improve board structures (Board, Chair or Sub-committee independence) or addressed issues with executive compensation (pay-for-performance misalignment, non-performance based incentive plans or lack of disclosure of performance metrics/targets).

Shareholder proposals seeking to enhance shareholder rights (adoption of simple majority voting, elimination of dual class share structures, independent chair) continued to receive broad investor support in 2024. We supported 76% of governance-related shareholder proposals that we were eligible to vote on in 2024.



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Engagement dialogues
in 2024 focused on
governance-related issues



Company engagement **Autodesk**

Sector: **Information Technology**
Geography: **US**

Theme: **Governance**
Type: **Individual**

US-listed Autodesk is a leading developer and supplier of software products and services for a range of industries including architecture, engineering and construction, as well as education, media and entertainment.

Engagement objectives

1. Refresh executive management and the board of directors (partially achieved, 2024)
2. Strengthen board oversight of executive management (in progress)

Activities

In July 2024, in applying the principles set forth in Impax proxy voting policies, we voted against 10 of 11 Autodesk directors standing for election and against the advisory vote on compensation to express our disappointment with management's performance and the handling of an accounting irregularity. Previously, Autodesk delayed filing its Form 10-K due to an internal accounting investigation triggered by the Audit Committee. The investigation determined that no restatement of any financials was necessary, but the company announced that the Chief Financial Officer (CFO) would move to a new role as Chief Strategy Officer and the Audit Committee Chair would become interim CFO.

Following the vote, we had a call with Autodesk's Audit Committee Chair, also serving as interim CFO at that time, to explain our vote decisions. The Audit Committee Chair/Interim CFO conveyed that the Board takes these issues seriously and committed to relaying our perspective and feedback to the full Board. In early 2025, we had a follow-up call with the Board Chair who explained the board evaluation and oversight processes to us in detail.

Outcomes

In November and December 2024, respectively, the company announced the appointment of a new CFO and two new independent board directors. The new board members enhance the board's governance and technology industry expertise. It is expected that the board's size will be reduced in 2025 to reach an optimal number of 9 to 11 directors.

Next steps

We will continue to monitor management performance and board composition, taking both aspects into consideration in our voting decisions at the 2025 annual meeting.

The company appointed two new independent board directors, enhancing the board's governance and technology industry expertise.



Advocacy

Our governance-related advocacy efforts have recently focused on Asia, where we continue to push for better corporate practices on board composition and shareholder rights, and on sustainability reporting and assurance. We engage extensively with regulators and companies in the region to raise awareness of evolving sustainability issues and to improve company policies and disclosures.

During 2024, our governance-related advocacy activities included the following initiative:

Adoption of ISSB standards in Asia

During 2024, we submitted consultation responses to the proposed adoption of the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, developed by the International Sustainability Standards Board (ISSB), in several markets within the Asia-Pacific region. Our responses welcomed the adoption of ISSB's standards in Malaysia, Singapore, Australia, mainland China, Hong Kong, India, Korea and Japan. We commented on local adjustments such as China's request that companies disclose how they are taking steps to promote better wealth distribution within the regions in which they operate.



Systematic stewardship

Corporate governance in Asia

Through our membership of the Asian Corporate Governance Association (ACGA), we have enhanced our knowledge and understanding of Asian governance issues and more effectively engage with regulators and companies in the region regarding governance.

Engagement objective

The primary objective of our active membership and participation in ACGA is to improve corporate governance standards and capital efficiency in Asian companies.

Activities

During 2024, we submitted responses to consultations in Japan, South Korea, mainland China and Hong Kong on how to improve the capital efficiency of companies by improving governance standards. Our responses addressed the following issues in particular: companies' dividend policies, the use of idle cash and, in the case of Japanese companies, cross-shareholdings.

The latter issue, whereby companies hold stakes in one another to maximise control over corporate decision-making, has been a long-standing issue in Japan. We have had several discussions on this topic with investee companies and Japanese regulators over the past few years.

In April 2024, we co-signed a letter from ACGA to the Japanese Financial Services Agency (FSA) about reducing strategic cross-shareholdings among Japanese companies. In this letter, ACGA provided key recommendations on divestment of cross-shareholdings in a manner that would advance governance practices and help companies achieve sustainable long-term growth. In December 2024, we also submitted a response to the FSA on cross-shareholdings, sharing some concerns from our investee companies.

We continued to engage with our Japanese investee companies to them to reduce cross-shareholdings and set clear timelines for doing so.

Outcomes

While most of our Japanese companies have been responsive to this ask and are supportive of reducing their cross-shareholdings to improve capital efficiency, few have yet specified clear timelines.

Next steps

We will continue to engage with our Japanese investee companies and the FSA, and monitor progress on this issue.



Memberships

Impax works collaboratively with our peers to shape the markets needed for the transition to a more sustainable economy to accelerate.²¹ Our current memberships include those listed below. These are tiered based on our contribution to each membership, and mapped to our priority sustainability themes.

Tier 1 - Leadership role²²

Ceres	Climate
Climate Financial Risk Forum (CFRF)	Climate
Confederation of British Industry (CBI)	Climate
Institutional Investors Group on Climate Change (IIGCC)	Climate
Sustainable Markets Initiative (SMI)	Climate
Transition Plan Taskforce (TPT)	Climate
UK Net Zero Council	Climate
Investor Policy Dialogue on Deforestation (IPDD)	Nature
Asian Corporate Governance Association (ACGA)	Governance

Tier 2 - Active engagement²²

Energy Transitions Commission (ETC)	Climate
Glasgow Financial Alliance for Net Zero (GFANZ)	Climate
Farm Animal Investment Risk and Return (FAIRR) initiative	Nature
Finance Sector Deforestation Action (FSDA)	Nature
Nature Action 100 (NA100)	Nature
Taskforce on Nature-related Financial Disclosures (TNFD)	Nature
Diversity project	People
Invest Ahead	People
Investors Against Slavery and Trafficking, Asia Pacific (IAST)	People
Northeast Investors Diversity Initiative (NIDI)	People
International Corporate Governance Network (ICGN)	Governance
International Financial Reporting Standards (IFRS)	Cross-cutting
Investment Association (IA)	Cross-cutting
Principles for Responsible Investment (PRI)	Cross-cutting
The US Forum for Sustainable and Responsible Investment (USSIF)	Cross-cutting
UK Sustainable Investment and Finance Association (UKSIF)	Cross-cutting

²¹ While Impax may consult with other market participants on certain engagement efforts, Impax unilaterally determines whether and to what extent to engage with other stakeholders, and all of Impax's investment decisions are independent and based on its own, unilateral strategy for maximising return on investment.

Tier 3 - Supporter²²

Net Zero Asset Managers Initiative (NZAM)	Climate
ShareAction Investor Decarbonisation Initiative	Climate
Wind Europe	Climate
PRI Spring	Nature
Financing a Just Transition Alliance (FJTA)	People
Race at Work: Part of BITC Business in the Community	People
ShareAction Long-term Investors in People's Health Initiative (LIPH)	People
WBA: Collective Impact Coalition for Violence & Harassment	People
Women in Finance	People
Women's Empowerment Principles	People
Council of Institutional Investors (CII)	Governance
Interfaith Centre on Corporate Responsibility (ICCR)	Governance
Shareholder Rights Group	Governance
Carbon Disclosure Project (CDP)	Cross-cutting
Confluence Philanthropy	Cross-cutting
Global Impact Investing Network (GIIN)	Cross-cutting
Investor Environmental Health Network (IEHN)	Cross-cutting
Sustainable Investment Institute	Cross-cutting
The Investing and Saving Alliance (TISA)	Cross-cutting
UK Stewardship Code (UKSC)	Cross-cutting

²² Tier 1 includes memberships where we perform a leadership role, including as a board member or chair of a working group/committee.

Tier 2 covers memberships where we play an active engagement role, such as participating in working groups.

Tier 3 includes other memberships not covered by Tiers 1 and 2 (e.g. being a member, signatory, or participant).



Given the increasing scale of environmental and social challenges and political uncertainty facing companies and issuers, we believe that our stewardship and advocacy activities are more important than ever.

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Stewardship and Advocacy Report 2025

Leveraging expertise to navigate
the transition to a more sustainable
economy

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