



PORTFOLIO MANAGER:
Impax Asset Management

INCEPTION DATE:
June 14, 2016

CIFSC CATEGORY*:
Global Small/Mid Cap Equity

Contributors to relative performance

The fund's natural overweight to industrials and utilities helped performance during the period. A common theme among the positive relative and absolute contributors was the ability to deliver strong operational results despite an incrementally more challenging macro backdrop. In some cases, company results were backed by upbeat management comments for the rest of the year. The market rewarded durable businesses with pricing power, as well as companies with the ability to manage inflation and pass along higher costs to customers.

- **Advanced Drainage Systems** (water distribution & infrastructure, US) share price rose after delivering results well ahead of expectations. Fiscal year 2023 guidance was raised due to strong underlying growth trends and market share gains.
- **Clean Harbors** (hazardous waste management, US) shares advanced following strong quarterly results as well as improved guidance reflecting strength in the US hazardous waste industry and ongoing strength in the oil-refining business.
- **Ormat Technologies** (renewable energy developers & IPPs, US) performed well during the period following solid quarterly results as well as the extension of tax credits for renewables from the US Inflation Reduction Act.

Please note that this stock commentary is based on an absolute contribution to return.

Detractors from relative performance

Materials and information technology holdings struggled also as inflationary concerns, rising interest rates and a global slowdown weighed on sentiment. Holdings within sustainable food & agriculture and energy management & efficiency detracted from absolute performance.

- **Salmar** (sustainable aquaculture, Norway) generated negative returns for the period after the Norwegian government announced a proposal to introduce a 40% resource tax on salmon and trout farming.
- **Airtac International** (industrial energy efficiency, Taiwan) announced disappointing quarterly results driven by concerns over slowing export growth, which had a negative impact on share price.

Desjardins

SocieTerra Cleantech Fund



QUARTERLY COMMENTARY AS OF SEPTEMBER 30, 2022

IMPAX Asset Management

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Detractors from relative performance (cont'd)

- Xinyi Solar Holdings (information technology, solar energy generation equipment) sold off around concerns of supply chain constraints and overall demand for solar module components.

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Major changes to portfolio in the period

- Added:
 - No new positions were added
- Sold:
 - Itron (smart & efficient grids, US) was sold based on a deteriorating outlook.

*CIFSC refers to Canadian Investment Funds Standards Committee. The CIFSC has the mandate to standardize the classification of mutual funds in Canada. <http://www.cifsc.org/>.

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