IMPAX Asset Management

Impax Global Opportunities Fund

Quarterly Commentary
All data as of 3/31/2024

Performance

- Over the period, the portfolio rose in absolute terms but trailed the MSCI ACWI Index.

Market review

- Global equity markets had a solid quarter, supported by resilient economic data out of the US and a relatively strong earnings season. While there is uncertainty over the timing, it is widely expected the US Federal Reserve will cut interest rates several times in 2024. Nonetheless, persistent inflation has resulted in bond yields rising, which has put pressure on bond market returns. Equity market breadth has improved compared to last year, which was dominated by the 'Magnificent Seven', with more mixed performance by these mega-cap technology stocks. While Nvidia has continued to post gains, others such as Tesla have been weaker. Emerging Markets rebounded from lows, as China announced further government measures to support the market and economy.
- Within sustainable equities, there has been pressure on some parts of the market, for example the independent power producers, due to a rise in energy prices, and rising bond yields. On the other hand, there were further signs of inventory destocking in life science tools & services and nutritional ingredients industries and companies in areas such as industrial gases, waste management, and rental companies benefitted from strong demand and pricing power. Earnings growth guidance for the year ahead remains relatively muted though, as political uncertainty, trade friction, tariffs threats and a tight labor market are weighing on corporate sentiment. In addition, while global Purchasing Managers' Indices (PMIs) are improving, manufacturing PMIs outside the US remain in contractionary territory.
- The Impax investment team continues to look for opportunities and is constructing portfolios that should benefit from earnings growth in 2024. This includes companies recovering from destocking, such as natural ingredients companies, and businesses with strong

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Performance as of 3/31/2024

	1m	Qtr	YTD	1y	3y	5y	10y	Incep[1]
Investor Class	1.15	5.72	5.72	12.53	5.20	10.63	–	10.48
Institutional Class	1.14	5.74	5.74	12.79	5.44	10.90	–	10.71
MSCI ACWI (Net) Index[2]	3.13	8.20	8.20	23.22	6.96	10.92	–	9.82

Performance data quoted represent past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For most recent month-end performance information, visit www.impaxam.com.

Figures include reinvested dividends, capital gains distributions, and changes in principal value.

1 The inception date for the Impax Global Opportunities Fund Institutional Class and the Investor Class is June 27, 2018.

Total annual Global Opportunities Fund operating expenses, gross of any fee waivers or reimbursements, for Institutional Class and Investor Class are 1.08% and 1.33%, respectively, as of 5/1/2023 prospectus. Total annual Global Opportunities Fund operating expenses, net of any fee waivers, reimbursements and acquired fund fees and expenses, for Institutional Class and Investor Class, shares were 0.98% and 1.23%, contractual through May 1, 2024.

Market review, continued

pricing power and inflation resilience. Impax believes the drivers of the transition to a more sustainable economy remain intact and companies providing innovative solutions and addressing social and environmental challenges remain compelling. Over the long run, we believe these companies can benefit from rising demand for their products and services and deliver strong earnings growth.

Key performance drivers (absolute basis)

- Underperformance for the period can be attributed mostly to negative stock selection in Financials. On an absolute basis, sustained interest in the artificial intelligence theme led to strong performance from holdings in Information Technology with exposure to semiconductor investment, cloud computing and enterprise software. Within Industrials, businesses which are part of the sharing economy, such as equipment and uniform rental companies, benefited from growth in end markets and strong pricing. A rebound in life science & tools holdings, and strength in medical device suppliers, resulted in positive contribution from the Health Care sector. Weaker electric vehicle growth expectations resulted in headwinds to performance from a Consumer Discretionary holding, while food deflation impacted a retailer in the Consumer Staples sector.

Contributors (absolute basis)

- The market tended to reward companies which delivered good earnings and positive forecasts, and this was also the case for the top contributors. These companies are experiencing strong secular growth which is helping to deliver steady earnings.
- **Linde (Water Treatment, US)**, a leading player in a concentrated market, reported quarterly earnings which demonstrated continued revenue growth, driven by sustained pricing power in their industrial gas operations. The company continues to benefit from productivity gains related to its 2018 merger with Praxair and is seeing greater convergence of margins across regions.
- **Microsoft (Systems Software, US)** continues to be a favoured beneficiary of interest in the artificial intelligence (AI) theme. The Azure cloud platform remains the engine of growth for the company, with revenues rising driven by a strong product offering and an increase in artificial intelligence workflows.
- **Mastercard (Transaction & Payment Processing Services, US)** has benefitted from resilient consumer spending and posted a strong set of results. High margin, cross-border transactions continue to rise as travel rebounds post-pandemic. The company also released guidance for 2024 with net profit growth in low double digits, which was well received by the market.

Detractors (absolute basis)

- Detractors tended to come from companies where macro-economic factors effected near-term growth opportunities.
- **AIA Group (Life & Health Insurance, Hong Kong)** faced sentiment headwinds, with the market pricing in a slowdown in sales due to weaker economic growth in China. However, the company reported good results against a tough economic backdrop as a result of its premium franchise and Pan-Asia presence. The investment team believes it will continue to deliver results ahead of the industry.
- **HDFC Bank (Diversified Banks, India)** reported below expected operating earnings due to adjustments post the merger with HDFC corporation. Deposit growth has been slower than expected as a result of tight liquidity and competition for funds, which in turn is affecting margins and loan growth. Despite these short-term challenges, the investment team believe the long-term fundamentals are still intact and HDFC bank is well placed to benefit from growth in the Indian economy.
- **Aptiv (Advanced Road Vehicles & Devices, US)** has been weak on concerns of a shorter-term slowdown in the pace of electric vehicle penetration which may impact electric vehicle architecture product offerings. While sales momentum of EVs has slowed for Aptiv's key customers in the US, the long-term trend towards increased electrification of vehicles and an increased focus on safety features remains intact.

Outlook

- The investment team continues to look for opportunities to add quality companies with strong secular growth drivers from the transition to a more sustainable economy. Markets have rallied on the growing likelihood of a soft economic landing. The US economy has been more resilient than expected and inflation is moderating, leading to growing confidence in interest rate cuts later this year.
- However, consensus expectations for market earnings remains relatively muted. As such, the investment team remains focused on companies demonstrating consistent growth, strong pricing and lower debt

Outlook, continued

levels, as these companies may be better equipped to navigate through a period of more challenging growth and volatility.

- The team continues to see opportunities from onshoring and near-shoring investment, which is improving prospects across industrial and technology companies. Alpha generation may also come from nutritional ingredient companies which have experienced temporary disruptions from pandemic related inventory destocking but have long-term opportunities which remain intact. Within Health Care the team sees opportunities in ophthalmology, medical device manufacturers and consumer health care companies. In addition, reinsurance companies and non-bank financials may benefit from strong pricing. The strategy also continues to look for beneficiaries of artificial intelligence, for example in areas such as enterprise software and consulting services.

Fund overview

An all-cap, global equity strategy that invests in high quality companies with sustainability tailwinds.

Portfolio management team

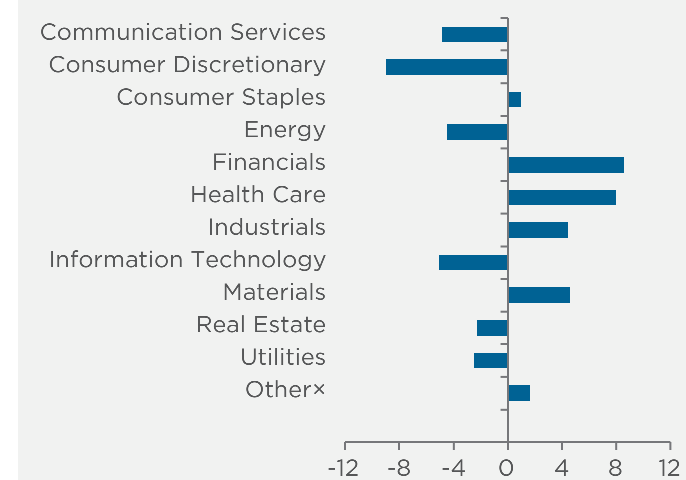
David Winborne, Portfolio Manager
Kirsteen Morrison, Portfolio Manager

Portfolio characteristics — as of 3/31/2024

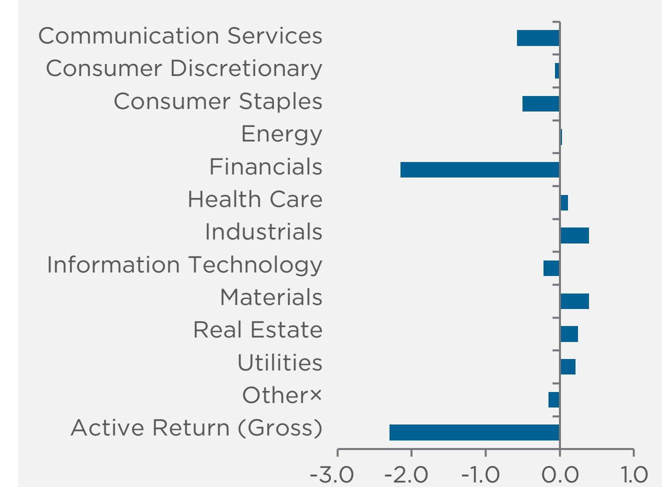
	Fund	Benchmark
Market cap (weighted avg.)[f]	$273,893M	$525,415M
Forward price/earnings[~]	21.78	17.57
ROE[°]	20.51%	22.94%
Beta[x]	0.96	1.00
Number of securities	40	2,841

Performance attribution 12/31/2023 – 3/31/2024

Sectors: Average active weights (%)



Sectors: Total relative contribution (%)



[x] Other: ETFs (for short-term cash mgmt. purposes) and Cash & Equivalents.
Past performance is no guarantee of future results.

Definitions

ƒ Weighted Average is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average.

~ Forward Price-Earnings Ratio or P/E FY1 ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings over the next 12 months.

° Return on Equity: The amount of net income returned as a percentage of shareholders' equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

∞ An Ex-Ante Beta is used for Funds with less than two years of performance history under its new mandate. The Ex-Ante Beta is calculated using a multi-factor risk model. Beta explains common variations in stock returns due to different stock sensitivities to the market relative to its underlying benchmark for the current period, not historical. A beta for a benchmark is 1.00: A beta greater than 1.00 indicates above average volatility and risk.

Top 10 holdings as of 3/31/2024

Linde PLC 5.0%, Microsoft Corp. 5.0%, MasterCard, Inc., Class A 4.5%, Schneider Electric SE 3.9%, Alcon AG 3.7%, Thermo Fisher Scientific, Inc. 3.5%, Cintas Corporation 3.2%, Hannover Rueck SE 3.0%, HDFC Bank, Ltd. 3.0% and Danaher Corp. 2.9%. Holdings are subject to change.

Disclosures

2 The MSCI ACWI (Net) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 50 country indexes comprising 23 developed and 27 emerging market country indexes. The developed market country indexes included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and United States. The emerging market country indexes included are: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. Performance for the MSCI ACWI Index is shown "net," which includes dividend reinvestments after deduction of foreign withholding tax.

One cannot invest directly in an index.

RISK: Equity investments are subject to market fluctuations, the fund's share price can fall because of weakness in the broad market, a particular industry, or specific holdings. Emerging market and international investments involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles, economic or political instability in other nations or increased volatility and lower trading volume. The Fund is actively managed. The investment techniques and decisions of the investment adviser and the Fund's portfolio manager(s), including the investment adviser's assessment of a company's ESG (Environmental, Social and Governance) profile when selecting investments for the Fund, may not produce the desired results and may adversely impact the Fund's performance, including relative to other Funds that do not consider ESG factors or come to different conclusions regarding such factors.

Environmental, social, and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

The statements and opinions expressed are those of the author as of the date of this report. All information is historical and not indicative of future results and subject to change. This information is not a recommendation to buy or sell any security. Past performance does not guarantee future results.

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You should consider a fund's investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 800.767.1729 or visiting www.impaxam.com. Please read it carefully before investing.

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