

Impax Sustainable Allocation Fund

Quarterly Commentary
All data as of 3/31/2024

Performance

- The Impax Sustainable Allocation Fund (SAF) lagged its blended benchmark (60% S&P 500/40% Bloomberg Barclays US Aggregate Bond Index) and the Morningstar 50%-70% Equity Peer Group benchmark in the quarter.

Market review

- Global equity markets had a robust quarter, bolstered by strong US economic data and a solid earnings season. Market breadth has improved compared to last year, notably with more varied performance from mega-cap technology stocks. Emerging Markets rebounded as China introduced additional measures to support its market and economy.
- In sustainable equities, certain sectors faced pressure, like independent power producers due to rising

energy prices and bond yields. Conversely, inventory destocking was observed in life science tools & services and nutritional ingredients industries. Industries such as Industrial Gases, Waste Management, and rental companies thrived on strong demand and pricing power.

- Earnings growth guidance for the upcoming year remains subdued due to political uncertainty, trade tensions, tariff threats, and a tight labor market. Global Purchasing Managers' Indices (PMIs) are improving, but manufacturing PMIs outside the US remain in contractionary territory.
- The investment-grade market (Bloomberg US Aggregate Index) underperformed high yield (ICE BofA High Yield Constrained Index) in the quarter. The Federal Reserve held steady on interest rates, indicating confidence in economic expansion and strong job gains

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Performance	as of 3/31/2024							
	1m	Qtr	YTD	1y	3y	5y	10y	Incep ¹
Investor Class	2.23	4.65	4.65	12.94	3.21	8.15	6.94	8.22
Institutional Class	2.30	4.75	4.75	13.27	3.47	8.42	7.21	8.30
S&P 500 Index ²	3.22	10.56	10.56	29.88	11.49	15.05	12.96	-
60% S&P 500 Index/ 40% Bloomberg US Aggregate Bond Index ³	2.30	5.94	5.94	17.97	5.94	9.30	8.52	-
Morningstar Moderate Allocation	2.53	5.32	5.32	15.19	4.05	7.45	6.46	-

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 Sustainable Allocation Fund Institutional Class is April 2, 2007, and the Investor Class inception date is August 10, 1971. The performance information shown for Institutional Class shares includes the performance of Investor Class shares for the period prior to Institutional Class inception. Expenses have not been adjusted to reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, the returns would be higher than those shown.

As of the 5/1/2023 prospectus, the Impax Sustainable Allocation Fund All-In Gross expense ratio includes indirect expenses (Acquired Fund Fees and Expenses "AFFE") of 0.60%. AFFE are fees and expenses charged by their investment companies in which the Fund invests a portion of its assets and are not direct costs paid by Fund shareholders. The All-In Gross expense ratio for Institutional Class and the Investor Class shares are 0.65% and 0.90%, respectively.

Market review, continued

but refraining from adjustments until inflation trends sustainably toward their 2% target.

- Interest rate volatility declined further, reaching levels not seen since early 2022. US Treasury yields rose across the curve, modestly inverting the yield curve. US Corporate spreads tightened, reflecting positive sentiment towards credit.
- New issuance in fixed income was robust, driven by supportive conditions, with significant inflows into investment grade taxable bonds, particularly into mutual funds.

Asset Allocation

- The portfolio was marginally underweight equity and marginally overweight bonds and cash compared to the benchmark during the period. Strong equity performance overwhelmed weaker bond market performance, and the portfolio's marginally lower equity risk positioning was a drag on performance. In addition, the portfolio's exposure to non-US equities, which are not part of the blended benchmark, also hurt from an allocation perspective as US Large Cap stocks continued their winning streak versus non-US stocks. The portfolio's globally diversified equity exposure and marginal underweight to equities relative to bonds and cash drove around half of the portfolio's underperformance during the period.

Selection - equity

- The portfolio's US Core and Global thematic equity exposure lagged the policy benchmark and underlying fund benchmarks during the quarter primarily due to the underweight to the Mega Cap technology complex. The portfolio's US Large Cap sleeve, which provides core exposure to US Equities and is thus the largest equity exposure in the portfolio, lagged the market despite delivering one of the better quarterly absolute returns since inception. The portfolio's key diversifiers were the exception this period, as Infrastructure and Small Cap both bested their style benchmarks.
- In aggregate, the equity portfolio's underperformance was a combination of weak sector allocation and security selection, with selection being more impactful than allocation effects. Contributions were best in Consumer Staples, where portfolio holdings significantly outperformed the market's Staples holdings. Financials were weakest as the non-balance sheet financials lagged the sector overall, followed by IT, as the underweight to the sector and underperformance of portfolio holdings was also a drag.

Selection - fixed income

- The portfolio's bond allocation was modestly additive for the period, as the underweight to bonds added value, as did selection at the fund level in aggregate. The Core Bond Fund outpaced the US Aggregate, while the smaller allocation to High Yield lagged its style benchmark in the period.
- The portfolio's core bond exposure saw positive contributions from overweight allocations to securitized products, most notably ABS and non-agency MBS, coupled with an overweight allocation to government-related securities. The underweight allocation to Treasuries also bolstered returns. Security selection within the ABS, government-related securities, capital goods, and consumer cyclical sectors contributed. The fund's off-benchmark allocation to high yield credits performed well. Security selection among Treasuries was the largest detractor over the quarter. The underweight to non-agency CMBS coupled with the overweight to corporates weighed on performance as well. Security selection within the REITS and transportation sectors was challenged, albeit to a lesser extent.

Outlook

- The Fund's equity allocation remains near its 60% neutral target. While an improving economic outlook has buoyed equity prospects, valuations remain stretched. Within equities, the Impax investment team continues to look for opportunities and is constructing portfolios that should benefit from earnings growth in 2024. Expectations for the US economy have shifted firmly away from recession, and towards continued economic growth. As the Federal Reserve tries to strike the right balance between fighting above target inflation and supporting broader economic activity, the timing and frequency of rate cuts in 2024 remains unclear. Although risk assets have performed well on the back of stronger than expected macroeconomic news, the investment team is cautious about adding risk and will only do so selectively. Rates have backed up over the first quarter and as previously noted, the market's expectations are now more in line with the Fed's guidance. This convergence has reduced some of the interest rate risk as treasuries now seem closer to fair value. Credit spreads, on the other hand, have narrowed even more from their previously tight levels. Although corporate labelled bond issuance remains weak, the fixed income team is finding opportunities in private placements. The portfolio's equity allocation remains focused on identifying businesses with attractive earnings growth and free cash flow yields, and exposure to tailwinds in areas like Resource Efficiency, Evolution of Cloud Computing, increased Electric Vehicle adoption, Access to Finance, and Transformative Health Care that are all critical in the transition to more sustainable economy.

Fund overview

A risk balanced, globally diversified portfolio investing in Impax's fund range supporting the transition to a more sustainable economy.

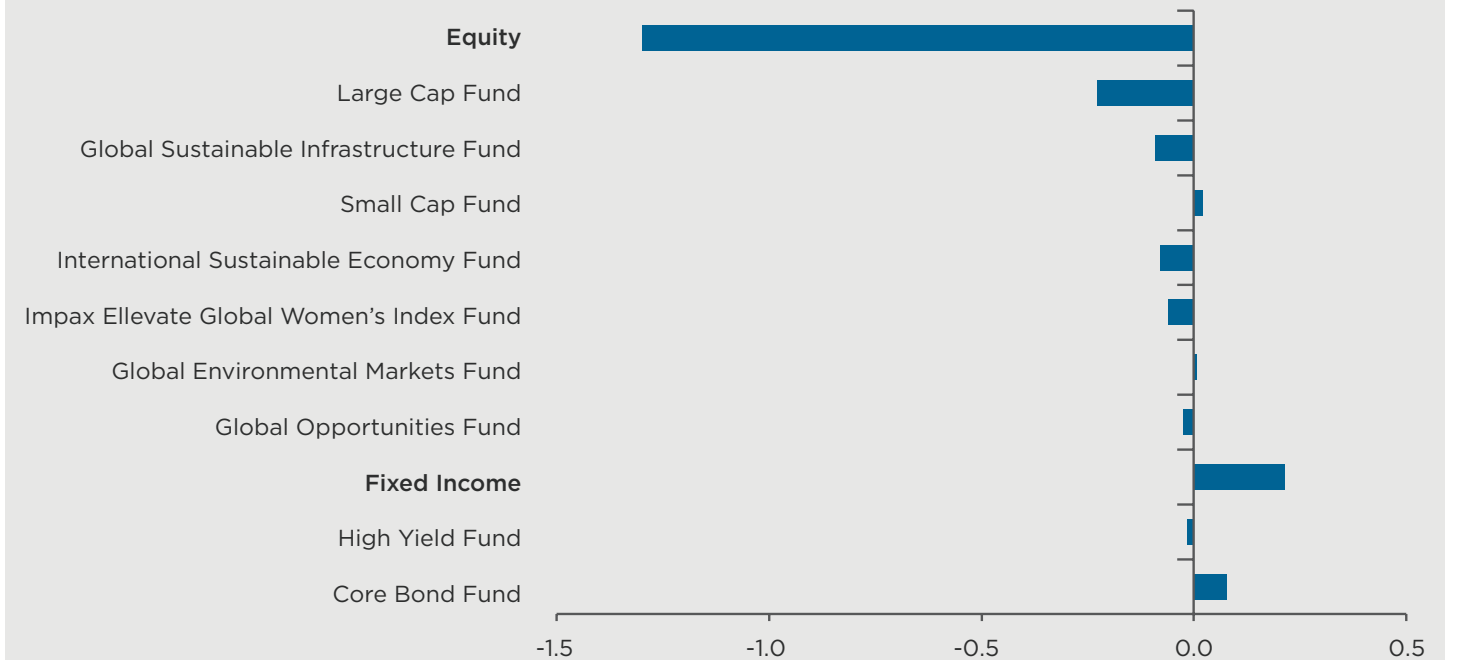
Portfolio management team

Nathan Moser, CFA[®], Senior Portfolio Manager
Andrew Braun, Senior Portfolio Manager
Anthony Trzcinka, CFA[®], Senior Portfolio Manager
Peter Schwab, CFA[®], Senior Portfolio Manager
Kirsteen Morrison, Senior Portfolio Manager

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Asset allocation (%) as of 3/31/2024	Fund
Equity	59.86
Impax Large Cap Fund	40.7
Impax Global Sustainable Infrastructure Fund	2.6
Impax Small Cap Fund	3.9
Impax Global Environmental Markets Fund	2.7
Impax Global Opportunities Fund	2.9
Impax Ellevest Global Women's Leadership Fund	2.5
Impax International Sustainable Economy Fund	4.5
Fixed Income	37.9
Impax Core Bond Fund	33.5
Impax High Yield Bond Fund	4.4
Cash & Other	2.3
Total	100.0

Asset allocation Relative contribution (%)



Top 10 holdings as of 3/31/2024

Microsoft Corp. 3.6%, Alphabet, Inc., Class A 1.8%, Apple, Inc. 1.5%, NVIDIA Corp. 1.2%, Merck & Co., Inc. 1.1%, Trane Technologies PLC 1.0%, Walt Disney Co., The 1.0%, JPMorgan Chase & Co. 1.0%, McCormick & Co., Inc. 1.0% and Visa, Inc., Class A 1.0%. Holdings are subject to change.

Disclosures

- 2 The S&P 500 Index is an unmanaged index of large capitalization common stocks.
- 3 The Blended Index is comprised of 60% S&P 500 Index and 40% Bloomberg US Aggregate Bond Index.

One cannot invest directly in an index.

RISK: The Impax Sustainable Allocation Fund is a fund of funds. The funds' allocations may change due to market fluctuations and other factors. 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. Yield and share price will vary with changes in interest rates and market conditions. Investors should note that if interest rates rise significantly from current levels, bond fund total returns will decline and may even turn negative in the short term. Mortgage related securities tend to become more sensitive to interest rate changes as interest rates rise, increasing their volatility. There is also a chance that some of the fund's holdings may have their credit rating downgraded or may default. Investments in smaller companies generally will experience greater price volatility. 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 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.

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