Performance summary
• The Impax Core Bond Fund outperformed the Bloomberg US Aggregate Index during the third quarter.

Market review
• Despite the threat of a government shutdown, auto workers’ strikes and the resumption of student loan payments threatening consumer spending, the risk-on rally continued over the quarter as investment grade assets posted a -3.23% return and underperformed high yield assets. Economic data continued to surprise to the upside, but higher interest rates and persistent inflation created uncertainty about growth due to the potential for a lagged impact on consumers and corporates. Investors are also becoming increasingly more divided on whether the Federal Reserve (the Fed) can achieve a soft landing.

• The Fed met twice during the quarter and delivered a 25 basis points (bps) hike in July and opted for pause at their September meeting. Their latest statements tilted hawkish and the updated “Dot plots” coupled with the Statement of Economic Projections suggested a more optimistic outlook for the economy and a “higher for longer” scenario. The Fed also indicated that there may yet be another rate hike this year.

• Over the quarter, the 2-year and 10-year yield rose by 15 bps and 74 bps, respectively, leading to a somewhat less inverted yield curve. 30-year yields rose by 84 bps.

• Despite negative total returns over the quarter across all investment grade sectors, the government-related and corporate sectors posted positive excess returns. The longer end of these segments performed particularly well as spreads remained resilient and compressed while they widened in the intermediate segments.

Performance summary

<table>
<thead>
<tr>
<th>Performance as of 9/30/2023</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Investor Class</td>
</tr>
<tr>
<td>Institutional Class</td>
</tr>
<tr>
<td>Bloomberg US Aggregate Index³</td>
</tr>
<tr>
<td>Lipper Core Bond Funds Index⁴</td>
</tr>
</tbody>
</table>

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.

² The inception date for the Impax Core Bond Fund Institutional Class and Investor Class is December 16, 2016.

As of the 5/1/23 prospectus, total annual Core Bond Fund operating expenses, gross of any fee waivers or reimbursements (excluding Acquired Fund fees and expenses), for Investor Class and Institutional Class shares are 0.71% and 0.46%, respectively.
**Contributors**

- Security selection was the main driver to performance although allocation decisions positively contributed as well.

- The Fund's underweight allocation to treasuries in favor of overweight allocations to corporates, government-related securities and ABS all contributed to performance. The Fund’s off-benchmark allocation to collateralized mortgages as well as its underweight to agency mortgage-backed securities also bolstered returns.

- Among corporates, security selection within the consumer non-cyclical and communications sectors, as well as an overweight to the financial institutions sector positively contributed. Security selection was also notably strong among government-related issuers. Given the risk-on rally, the Fund’s off-benchmark allocation to high yield credits performed well.

**Detractors**

- Security selection among the consumer cyclical, technology, asset back securities (ABS) and commercial mortgage backed securities (CMBS) sectors detracted.

- Despite the Fund’s underweight to treasuries, the portfolio's holdings are longer duration and were affected by the material rise in yields at the long end of the yield curve over the quarter.

**Outlook**

- Despite risk assets continuing to perform well, we are concerned about the effect on spreads of weakening fundamentals and the higher for longer rate environment coupled with the lag effect of past rate increases. The Fund continues to take a broadly defensive positioning. We continue to reduce our overweight allocation to corporate bonds and increase the allocation to higher quality agency mortgage backed securities (MBS), as corporate spreads are on the richer side, while agency MBS has become cheaper. More highly levered corporate names could come under increased pressure with higher rates as well.
Fund overview
An investment-grade bond strategy focused on the opportunities and risks arising from the transition to a more sustainable economy.

Portfolio management team
Anthony Trzcinka, CFA, Portfolio Manager
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Portfolio characteristics as of 9/30/2023

<table>
<thead>
<tr>
<th>Effective duration</th>
<th>Fund</th>
<th>Benchmark</th>
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<tbody>
<tr>
<td></td>
<td>5.87%</td>
<td>6.11%</td>
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</table>

<table>
<thead>
<tr>
<th>Years to maturity</th>
<th>Fund</th>
<th>Benchmark</th>
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<tbody>
<tr>
<td></td>
<td>13.75</td>
<td>12.71</td>
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</table>

<table>
<thead>
<tr>
<th>30-Day SEC yield</th>
<th>Investor</th>
<th>Institutional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.29%</td>
<td>4.55%</td>
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</table>

Performance attribution 6/30/2023 - 9/30/2023

Sector: Average active weights (%)

- Corporate
- Government-Related
- Municipals
- Securitized
- Treasury
- Otherx

Total relative contribution (%)

- Corporate
- Government-Related
- Municipals
- Securitized
- Treasury
- Otherx

Active Return (Gross)

Other: ETFs (for short-term cash mgmt. purposes) and Cash & Equivalents.
Past performance is no guarantee of future results. Short-term performance may not be indicative of long-term results.
RISK: 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. 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. Past performance does not guarantee future results. An investment in Impax Funds involves risk, including loss of principal.

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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