

Impax Global Social Leaders Fund

Quarterly Commentary
All data as of 3/31/2024

Performance

- The Impax Global Social Leaders Fund underperformed the MSCI ACWI Index in the first quarter.

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 labour 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.

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Performance	as of 3/31/2024							
	1m	Qtr	YTD	1y	3y	5y	10y	Incep ¹
Investor Class	1.12	3.04	3.04	-	-	-	-	8.50
Institutional Class	1.12	3.04	3.04	-	-	-	-	8.60
MSCI ACWI (Net) Index ²	3.14	8.20	8.20	-	-	-	-	13.39

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. To obtain performance for the most recent month-end, call 800.767.1729 or visit impaxam.com.

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

¹ The Impax Global Social Leaders Fund launched on December 1, 2023. As the Fund was launched less than one year ago, its performance history is not long enough to be meaningful.

The Global Social Leaders Fund's investment adviser has contractually agreed to reimburse expenses (other than interest, commissions, taxes, extraordinary expenses and Acquired Fund Fees and Expenses, if any) allocable to Institutional Class and Investor Class shares of the Fund to the extent such expenses exceed 0.98% and 1.23% of the average daily net assets of Institutional Class and Investor Class shares, respectively. This reimbursement arrangement may not be amended or terminated without the approval of the Fund's Board of Trustees before December 31, 2026. Gross expense ratio: Institutional Class is 9.25% and Investor Class is 9.50%.

Market review, continued

- 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 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

- There was strong performance within the portfolio in some of the key social themes the strategy focusses on, including democratisation of computing power and health care innovation. However, relative to the market, the underweight to Information Technology and the overweight to relatively defensive sectors such as consumer Staples and Health Care weighed on performance. Weaker performance from emerging market financials also impacted stock selection and offset positive performance from medical device companies providing innovative and more cost-effective solutions.

Contributors (absolute basis)

- **Nvidia** (Equitable Connectivity, US) has been a top performer in the market and is driving artificial intelligence innovation through their product offering. Nvidia reported strong fourth-quarter earnings, with revenues surpassing expectations and a forecast for continued revenue growth. They also presented their new GPU (graphics processing) series, which is significantly better than previous versions and is expected to further increase the total addressable market for AI.
- **eBay** (Evolving Marketplaces, US) reported better than expected results and guided for a solid growth outlook. The company expects continued platform innovation to drive volumes and margins. The investment team believe eBay is benefitting from increased investment, a sound strategic vision, competitive customer experience and a clear path to growth.
- **Adyen** (Financial Platforms, Netherlands) reported reassuring second half earnings, with net revenue acceleration across regions. While confidence in the company's management and sustainability of their competitive advantage will take some time to repair after disappointing first half results reported in August,

the company's capital markets day in November, and second half earnings report led to a continued stock price recovery in the first quarter of the year.

Detractors (absolute basis)

- **AIA Group** (Financial Security & Inclusion, 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** (Financial Security & Inclusion, 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 believes the long-term fundamentals are still intact and HDFC bank is well placed to benefit from growth in the Indian economy.
- **Mobileye Global's** (Security & Safety, US) share price suffered after announcing weak earnings guidance for 2024. This was due to expected temporary demand weakness as a result of a channel inventory correction in their ADAS (advanced driver assistance system) chips.

Outlook

- Looking ahead, the stickiness of inflation and resulting interest rate expectations will likely continue to determine global stock market sentiment in the near term. Investors have, for now, mostly put aside concerns about a recession as economic data has remained strong despite high interest rates and stubbornly high inflation, although weakness in the lower income consumer spending remains an area to watch. The breadth of market leadership has improved somewhat, in contrast to the narrowness of leadership that dominated markets in 2023, however, the investor euphoria around artificial intelligence continues. As we saw in 2022, however, these well-loved, high growth stocks are not immune to business cycles and, at some point, valuations become relevant again.
- On a longer-term basis, the investment team continues to focus on investing in high quality, attractively valued companies showing indications of strong culture whose products and services are positively exposed to long-term secular trends shaping society, as Impax believes these companies are well positioned to outperform.

Fund overview

A global strategy investing in companies that offer strong corporate cultures and that provide products and services benefiting society in the transition to a more sustainable economy.

Portfolio management team

Amber Fairbanks, CFA, Portfolio Manager
Charles French, Portfolio Manager, Deputy Chief Investment Officer (CIO), Listed Investments

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Portfolio characteristics as of 3/31/2024

Market cap (weighted avg.)^f

Fund	Benchmark
\$174,035mn	\$525,415mn

Forward price/earnings[~]

Fund	Benchmark
21.48	17.57

ROE^o

Fund	Benchmark
22.15%	22.94%

Beta[∞]

Fund	Benchmark
1.00	1.00

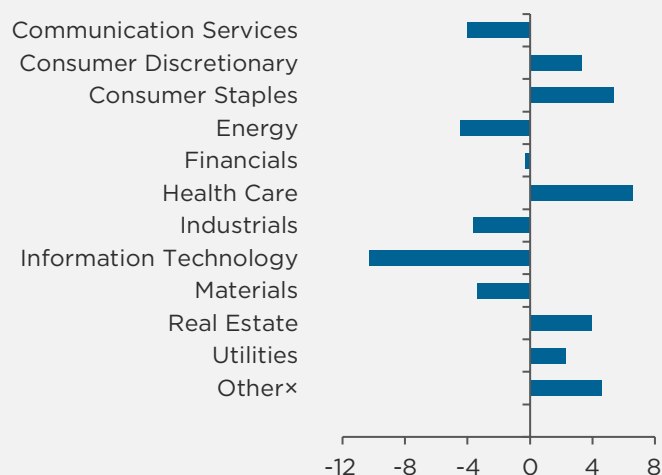
Number of securities

Fund	Benchmark
42	2,841

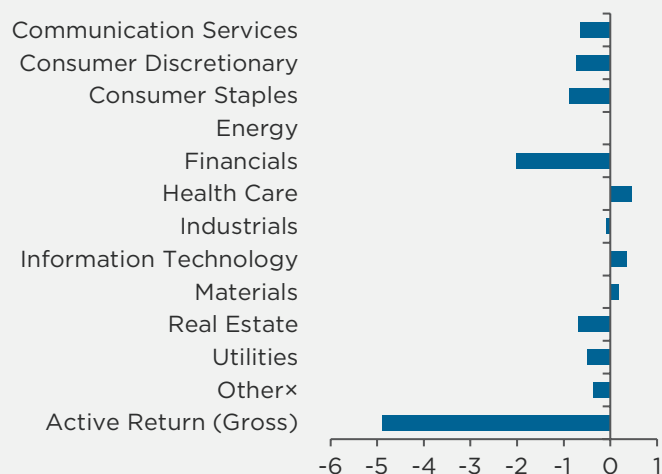
Performance attribution

Global Industry Classification Standard[†]
 12/31/2023 - 3/31/2024

Sectors: Average active weights (%)



Total relative contribution (%)



Definitions

- ^f 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.
- ^o 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.
- [∞] A historical Beta is used for Funds with greater than 3 years of performance history under the same mandate. Beta reflects the sensitivity of a Fund's return to fluctuations in its benchmark; a beta for a benchmark is 1.00; a beta greater than 1.00 indicates above-average volatility and risk.

[†] The Global Industry Classification Standard (GICS) is a widely recognized industry standard for assigning a public company to the economic sector and industry group that best defines its business. It was developed jointly by MSCI and Standard & Poor's and is used by the MSCI indexes.

^x Other: ETFs (for short-term cash mgmt. purposes) and Cash & Equivalents.

Past performance is no guarantee of future results.

Top 10 holdings as of 3/31/2024

Intuit Inc. 4.1%, NVIDIA Corp. 3.9%, eBay Inc. 3.2%, Halma plc 3.2%, Legal & General Group plc 3.0%, Abbott Laboratories 2.9%, Voya Financial, Inc. 2.9%, MercadoLibre, Inc 2.7%, Danaher Corp. 2.7% and IQVIA Holdings Inc. 2.7%. 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. 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. Further, in evaluating a company, the Adviser is often dependent upon information and data obtained from the company itself or from third-party data providers that may be incomplete or inaccurate, which could cause the investment adviser or the Fund's portfolio manager(s) to incorrectly assess a company's ESG profile.

The Fund does not have an operating history and may not achieve significant scale.

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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