

Impax Sustainable Allocation Fund

Quarterly Commentary

All data as of 12/31/2023

Performance

- The Impax Sustainable Allocation Fund (SAF) generated a low double digit return and outperformed 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 fourth quarter.

Market review

- It was an extraordinarily strong quarter for returns for both the fixed income and the equity markets. Despite the bumpy start to the final quarter of 2023, due to rising geopolitical risk, bonds finished 2023 on a strong note thanks in large part to the US Federal Reserve. The investment grade market underperformed the high yield market while still posting an impressive

+6.82% return, as measured by the Bloomberg US Aggregate Index. The Federal Reserve (the Fed) met twice during the quarter and kept the Fed Funds target rate steady at 5.25%-5.50%. The Fed moves were widely expected, and their generally dovish statements coupled with an improving inflation outlook, as well as resilient economic data led to a strong market rally. In December, the Fed also updated their "Dot plot" which suggested Fed Governors are predicting three cuts in 2024. Futures markets already bullish on cuts became even more so. At the beginning of Q4, three cuts were being priced in with the first starting in July. By the end of December, however, futures were implying six cuts in 2024 with the first starting as early as March. Although it wasn't the smoothest path, interest rate volatility trended downward during the reporting period, suggesting investors were coalescing around the idea of a more stable interest rate environment going forward.

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Performance								as of 12/31/2023
	1m	Qtr	YTD	1y	3y	5y	10y	Incep ¹
Investor Class	4.89	10.07	13.17	13.17	2.94	8.91	6.57	8.16
Institutional Class	4.91	10.12	13.44	13.44	3.20	9.18	6.84	8.25
S&P 500 Index ²	4.54	11.69	26.29	26.29	10.00	15.69	12.03	-
60% S&P 500 Index/ 40% Bloomberg US Aggregate Bond Index ³	4.26	9.74	17.67	17.67	4.71	9.98	8.09	-
Morningstar Moderate Allocation	4.27	8.60	13.78	13.78	3.43	8.16	6.07	-

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

- The quarter finished with a strong rally in equities as well the interest rate backdrop became more equity friendly. While labour markets remain relatively tight, wage pressure is moderating. Economic data has been mixed, but overall has been resilient enough to fuel expectations of a soft economic landing. Earnings have also been more supportive, with positive surprises outweighing negative surprises. Geopolitics remains a risk, but Sino-US tensions eased somewhat after a relatively positive summit between US President Biden and Chinese President Xi Jinping. The rally was broad, led by more interest rate and economic sensitive parts of the market. Energy was a notable laggard as oil prices pulled back as supply was increased.

Asset Allocation

- The portfolio was marginally underweight equity and marginally overweight bonds and cash compared to the Fund's benchmark in the reporting period. The Fund's strong equity performance overwhelmed the historically robust bond market performance, and the portfolio's risk positioning drove slightly negative asset allocation impact in the period.

Selection – equity

- After struggling through the first three quarters of 2023, the Impax Sustainable Allocation Fund saw positive contributions from its equity holdings. Manager outperformance was broad with the Impax Large Cap Fund, Impax Global Environmental Markets Fund, Impax Global Opportunities Fund, and Impax International Sustainable Economy Fund, all beating their respective benchmarks in the quarter.
- Sector allocation and security selection were both additive for the equity sleeve, as the portfolio's lack of exposure to energy, and overweight to more transition friendly sectors like Real Estate and Industrials added value. Security selection was strongest in Health Care as destocking headwinds became less of an issue, and Industrials, where tailwinds associated with policy and stimulus are beginning to hit company earnings.

Selection – fixed income

- The portfolio's bond allocation modestly detracted in the period, as the Core Bond fund's overweight in Asset Backed (ABS) and non-agency Mortgage Backed (MBS) securities detracted. Security selection among government-related securities, agency MBS as well as within the financial institutions, consumer non-cyclical and utility sectors also hindered performance.
- As investors re-focused their attention on the US Federal Reserve as well as an improving inflationary backdrop alongside a still resilient US economy, high yield bonds saw robust performance. The Impax High Yield Fund lagged its benchmark due to security selection, with the portfolio's capital goods exposure being the main detractor in the period.

Outlook

- Sentiment is improving, and the equity market has begun to price in a better outlook for 2024. While a clear turning point is not yet evident in the data, global manufacturing sentiment indicators are becoming less negative and service sentiment indicators remain in expansionary territory. Against this backdrop, the asset allocation team remains cognizant of extended valuations and the potential for a lagged impact from the recent significant Fed tightening cycle.
- The investment team continues to look for opportunities and has added to quality companies experiencing temporary disruptions such as inventory destocking, while also constructing portfolios that should benefit from an earnings recovery in 2024. The recent rally in equities has mostly been driven by a re-rating in stock valuations, therefore the team has looked to take profit where companies have rallied significantly on improved investor sentiment.
- 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 remains compelling. Over the long run, we believe these companies can benefit from rising demand for the products and services to deliver strong earnings growth.

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

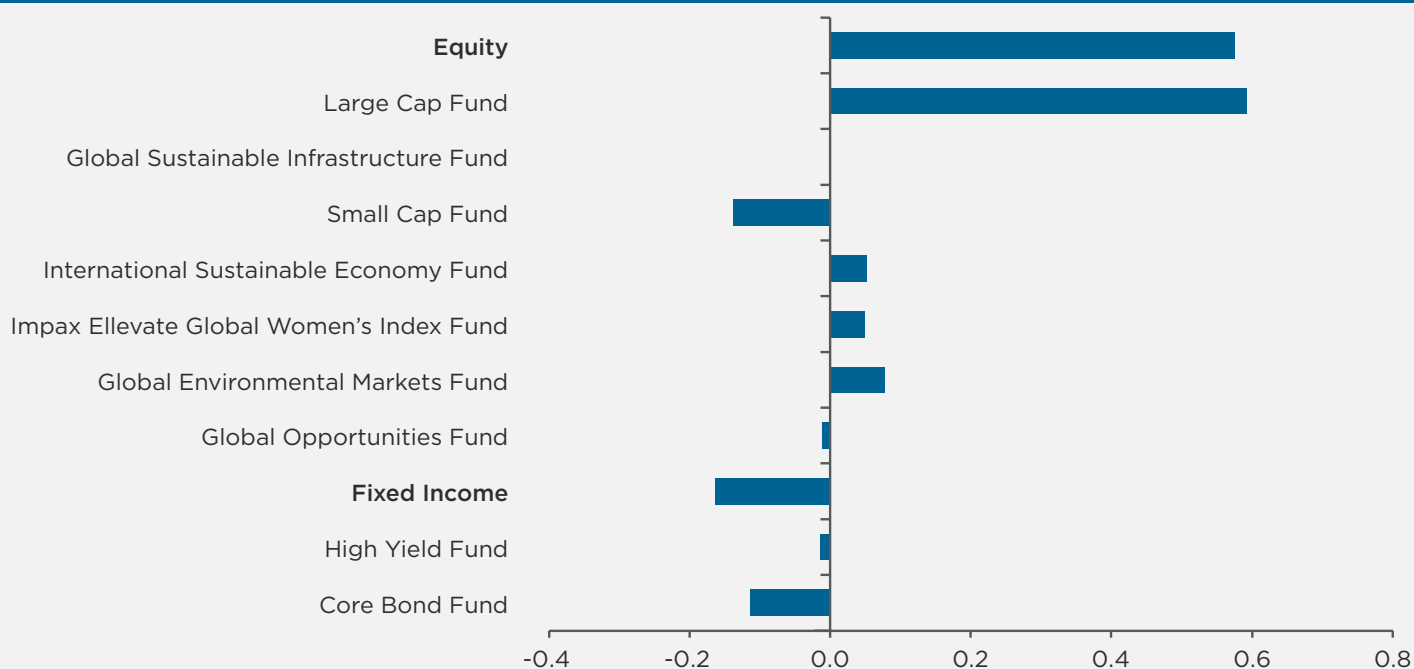
Kirsteen Morrison, Senior Portfolio Manager

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Asset allocation (%) as of 12/31/2023

	Fund
Equity	57.6
Impax Large Cap Fund	37.8
Impax Global Sustainable Infrastructure Fund	2.5
Impax Small Cap Fund	4.0
Impax Global Environmental Markets Fund	2.6
Impax Global Opportunities Fund	2.8
Impax Ellevest Global Women's Leadership Fund	2.9
Impax International Sustainable Economy Fund	5.0
Fixed Income	40.0
Impax Core Bond Fund	35.5
Impax High Yield Bond Fund	4.5
Cash & Other	2.4
Total	100.0

Asset allocation Relative contribution (%)



Top 10 holdings as of 12/31/2023

Microsoft Corp. 3.4%, Apple, Inc. 2.3%, Alphabet, Inc., Class A 1.5%, Merck & Co., Inc. 1.1%, Walt Disney Co., The 1.1%, JPMorgan Chase & Co. 1.0%, Trane Technologies PLC 1.0%, Salesforce, Inc. 1.0%, Visa, Inc., Class A 1.0% and Aptiv PLC 0.9%. 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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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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