

Impax Sustainable Allocation Fund

Quarterly Commentary
All data as of 12/31/2022

Performance summary

- The Impax Sustainable Allocation Fund (the Fund) outperformed its blended benchmark (60% S&P500/40% Bloomberg Barclays US Aggregate Bond Index) in the fourth quarter.

Market review

- Equity markets improved over the quarter on expectations that the Federal Reserve (Fed) would reduce the pace and amount of monetary tightening after US inflation numbers were weaker than expected. The Fed raised interest rates in December by a smaller increment than the recent trend, however Fed Chair,

Jerome Powell, also signaled that rates were likely to stay higher for longer as inflation levels remain elevated. Economic data has generally been weaker, with Purchasing Managers' Indices (PMIs) in the US signaling contraction. The US dollar weakened against the backdrop of a softer economy and a less aggressive rate hike cycle. Although US 10-year bond yields were little changed over the quarter, the yield curve has inverted, signaling the bond market anticipates a recession. In December, the inverted yield curve provided support for quality and defensive stocks after the more economically sensitive sectors outperformed earlier in the quarter.

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Performance	as of 12/31/2022							
	1m	Qtr	YTD	1y	3y	5y	10y	Incep ¹
Investor Class	-3.49	5.88	-16.42	-16.42	3.86	5.36	6.87	8.07
Institutional Class	-3.45	5.95	-16.22	-16.22	4.12	5.62	7.14	8.15
S&P 500 Index ²	-5.76	7.56	-18.11	-18.11	7.66	9.42	12.56	—
60% S&P 500 Index/ 40% Bloomberg Barclays US Aggregate Bond Index ³	-3.64	5.39	-15.79	-15.79	3.83	5.96	8.08	—
Morningstar Allocation - 50% to 70% Index ⁴	-2.84	5.69	-13.64	-13.64	2.89	4.13	6.21	—

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 5/1/2022 prospectus, the Impax Sustainable Allocation Fund All-In Gross expense ratio includes indirect expenses (Acquired Fund Fees and Expenses "AFFE") of 0.59%. 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 0.64% and 0.89%, respectively. Impax Sustainable Allocation Fund expense ratios, excluding indirect AFFE, are 0.05% and 0.30% for Institutional Class and Investor Class shares, respectively.

Market review, continued

- In this environment, the S&P 500 Index (SPX) rose 7.6% but significantly trailed international equities as the MSCI EAFE Index⁵ delivered a sizeable 17.3% return. Bonds were modestly positive with the Bloomberg Barclays US Aggregate Bond Index⁶ returning 1.9%.

Contributors

- The Fund's allocation to international equities was one of the largest contributors to relative performance as non-US equities considerably outperformed US Equities.
- Two of the Fund's global satellite funds, the Impax Global Environmental Markets Fund, and the Impax Global Opportunities Fund, were additive to performance, as both stock selection and sector positioning contributed positively to relative performance.
- The Fund's allocation to high yield bonds was also a boost to performance as high yield bonds outperformed the broader investment grade bond market.

Detractors

- The Impax Core Bond Fund modestly detracted from performance as it underperformed its benchmark, the Bloomberg Barclays US Aggregate Bond Index, largely due to security selection within government related securities as well as security selection and allocation within asset backed securities.
- The Fund's cash allocation detracted in a quarter where equity markets delivered compelling returns.

Outlook

- The possibility of a recession in 2023 remains, as expectations around peak inflation and related central bank policy decisions continue to dominate investors thinking. Sustained deterioration of earnings expectations and higher discount rates provide a challenging environment in the short-term.
- At year-end, the Fund's equity and fixed allocations were slightly below their neutral levels. While it has been a difficult environment for equities, we believe this is an opportunity for Impax's equity funds that are held in the Impax Sustainable Allocation Fund. Against this backdrop of slower earnings growth, Impax believes that companies with long-term structural growth and innovative business models will present attractive investment opportunities. Environmental and sustainable equities continue to see policy support and Impax believes that higher energy prices and a renewed focus on energy security are supportive of opportunities across a wide range of sustainable solutions. The investment team remains focused on finding companies with strong pricing protection and attractive valuations.

Fund overview

A risk-focused asset allocation strategy offering a diversified portfolio of sustainable investment strategies providing a wide range of impact.

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

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Asset allocation (%) as of 12/31/2022

	Fund
Equity	59.0
Impax Large Cap Fund	40.7
Impax Global Sustainable Infrastructure Fund	3.2
Impax Small Cap Fund	2.8
Impax Global Opportunities Fund	2.6
Impax Global Environmental Fund	2.4
Impax Ellevate Global Women's Leadership Fund	2.6
Impax International Sustainable Economy Fund	4.7
Fixed Income	38.8
Impax Core Bond Fund	34.5
Impax High Yield Bond Fund	4.3
Cash & Other	2.2
Total	100.0

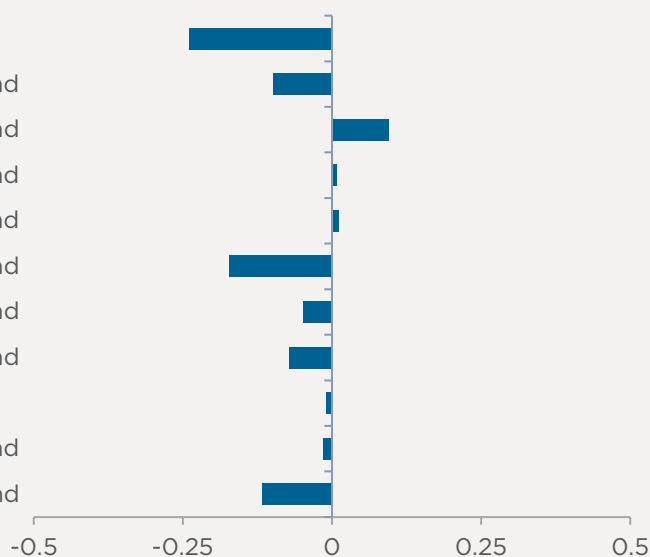
Asset Allocation Relative Contribution (%)

Equity

Impax Large Cap Fund
 Impax Global Sustainable Infrastructure Fund
 Impax Small Cap Fund
 Impax International Sustainable Economy Fund
 Impax Ellevate Global Women's Index Fund
 Impax Global Environmental Markets Fund
 Impax Global Opportunities Fund

Fixed Income

Impax High Yield Fund
 Impax Core Bond Fund



Top 10 holdings as of 12/31/2022

Microsoft Corp. 2.8%, Apple, Inc. 2.0%, Trane Technologies PLC 1.3%, Alphabet, Inc., Class A 1.2%, Merck & Co., Inc. 1.1%, Visa, Inc., Class A 1.1%, Aptiv PLC 1.1%, Walt Disney Co., The 1.1%, Applied Materials, Inc. 1.0% and Voya Financial, Inc. 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 Barclays US Aggregate Bond Index. The S&P 500 Index is an unmanaged index of large capitalization common stocks. The Bloomberg Barclays US Aggregate Bond Index represents securities that are US domestic, taxable and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities and asset-backed securities.
- 4 Morningstar Allocation 50% to 70% Equity portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds and cash. These portfolios tend to hold larger positions in stocks than conservative-allocation portfolios. These portfolios typically have 50% to 70% of assets in equities and the remainder in fixed income and cash.
- 5 The MSCI EAFE (Europe, Australasia, Far East) Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US and Canada. The MSCI EAFE Index consists of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. Performance for the MSCI EAFE Index is shown "net", which includes dividend reinvestments after deduction of foreign withholding tax.
- 6 The Bloomberg Barclays US Aggregate Bond Index is a broad base index, maintained by Bloomberg L.P. often used to represent investment grade bonds being traded in United States.

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.

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. An investment in Impax Funds involves risk, including loss of principal.

IMPAX
Asset Management

Impax Asset Management
30 Penhallow Street, Suite 400
Portsmouth, NH 03801
800.372.7827

impaxfunds@impaxam.com
www.impaxam.com

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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