IMPAX Asset Management

Impax US Sustainable Economy Fund

Quarterly Commentary
All data as of 12/31/2022

Performance summary

- The Impax US Sustainable Economy Fund (the Fund) outperformed the Russell 1000 Index in the fourth quarter.

Investment Strategy

- The portfolio integrates the Impax Sustainability Lens, a proprietary tool that helps the adviser systematically overweight the portfolio toward sub-industries we identify as high opportunity in the context of the transition to a more sustainable economy, while removing exposure to sub-industries classified as

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Performance — as of 12/31/2022

	1m	Qtr	YTD	1y	3y	5y	10y	Incep[1]
Investor Class	-5.43	9.65	-18.25	-18.25	6.41	7.91	10.86	5.95
Class A	-5.44	9.64	-18.24	-18.24	6.40	7.90	10.86	5.95
Institutional Class	-5.36	9.74	-18.01	-18.01	6.67	8.18	11.14	6.10
Russell 1000 Index[2]	-5.81	7.24	-19.13	-19.13	7.35	9.13	12.37	—
Lipper Multi-Cap Core Funds Index[3]	-5.66	8.14	-17.99	-17.99	7.01	7.89	11.02	—

Performance after sales charge — as of 12/31/2022

	1m	Qtr	YTD	1y	3y	5y	10y	Incep[1]
Class A (Load)	-10.64	3.60	-22.75	-22.75	4.42	6.69	10.23	5.72

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 US Sustainable Economy Fund Institutional Class is April 2, 2007, the Investor Class inception date is June 11, 1997, and the Class A shares inception date is May 1, 2013.

As of 5/1/2022 prospectus, total annual Impax US Sustainable Economy Fund operating expenses, gross of any fee waivers or reimbursements (excluding Acquired Fund fees and expenses), for Institutional Class, Investor Class and Class A shares are 0.63%, 0.88% and 0.88%, respectively.

The performance information shown for Institutional Class shares represents the performance of the Investor Class shares for the period prior to Institutional Class inception (April 2, 2007). 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. Institutional Class shares average annual return since April 2, 2007, is 8.22% (annualized).

The performance information shown for Class A represents the performance of the Investor Class shares for the period prior to Class A inception. Expenses have not been adjusted to reflect the expenses allocable to Class A shares. Class A inception date return since May 1, 2013, is 10.52% (annualized). A 1.00% CDSC (contingent deferred sales charge) may be charged on any shares sold within 18 months of purchase over $1 million. POP (public offering price) reflects the maximum sales load for the Fund's Class A Shares of 5.50%.

Investment Strategy, contiuned

low opportunity and high risk. One of the Fund's key sources of alpha[4] is exposure to companies with favorable environmental, social and governance (ESG) ratings relative to their sector and industry peers, as determined by the Impax Systematic ESG Rating[5]. Lastly, the portfolio is fossil fuel free, and replaces energy sector holdings with energy efficiency stocks. The Fund's optimization process applies appropriate constraints to create a diversified portfolio of approximately 200 stocks.

Market Overview

- 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. While 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.
- The Russell 1000 rebounded from a weak third quarter; Energy, Industrials, Materials, Financials, Consumer Staples Heath Care, and Utilities outperformed, while Real Estate, Information Technology, Communication Services, and Consumer Discretionary lagged.

Impax Sustainability Lens

- After struggling over the first nine months of the year, the portfolio's exposure to the Lens was additive in the quarter. Tilting the portfolio away from High Risk/ Low Opportunity sub-industries was a key tailwind. The lack of exposure to Automotive Manufacturers was a key driver of return with EV (electric vehicle) manufacturers performing particularly poorly in the period.

ESG Ratings

- The portfolio's active exposure to ESG scoring provided most of the excess return in the period, as stocks with the highest ESG scores, where most of the portfolio is positioned, significantly outperformed ESG laggards, where the portfolio has no exposure.

Energy Efficiency

- The portfolio's lack of exposure to Energy companies continued to be a challenge given the relative outperformance of that sector in the quarter. The Fund replaces traditional energy companies with companies that are positioned to provide more energy efficiency; those securities performed well, but not well enough to offset the negative impact from the Fund's fossil fuel free profile.

GICS[6] Sector

- Sector positioning, an outcome of the portfolio construction process rather than an active decision, added value in the fourth quarter. Underweighting Consumer Discretionary was additive, as was the overweight in Industrials. The portfolio's lack of exposure to the Energy sector, which was the best performing sector in the Russell 1000 this period, was the biggest detractor, and the portfolio's underweight to Financials and overweight to Information Technology were also negative contributors to returns.

4 Alpha is a coefficient measuring risk-adjusted performance, considering the risk due to the specific security, rather than the overall market. A positive alpha reflects relative risk-adjusted performance of the Fund versus its benchmark.

5 The Impax Systematic ESG Rating is a proprietary rating of companies' environmental, social and governance (ESG) performance developed by Impax's Sustainability and ESG Team. The rating is designed to capture material information that may bear on a company's risk and performance potential. The Impax Systematic ESG Rating combines original, in-house research and analysis with multiple sources of third-party ESG and publicly available data to quantify an overall ESG company ranking versus peers.

The Impax Systematic ESG rating calculation includes some elements that could be considered qualitative or subjective, including, customized peer groups on limited occasions that may deviate from standard industry classifications in order to facilitate meaningful quantitative comparisons; selection of relevant ESG issues and indicators; determining weights or scoring of components/indicators; and some manual adjustments on occasions where the Impax Sustainability and ESG team determines that the calculated score based on available indicators does not adequately reflect the materiality or risk/return implications of certain ESG issues for a particular company.

6 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.

Fund overview

A systematic strategy investing in US large cap companies we believe are positioned to benefit from the transition to a more sustainable economy.

Portfolio management team

Scott LaBreche, Portfolio Manager
Christine Cappabianca, Portfolio Manager

Portfolio characteristics as of 12/31/2022

	Fund	Benchmark
Market cap (weighted avg.)ƒ	$324,073M	$380,971M
Forward price earnings˜	18.24	16.69
ROE°	29.04%	24.89%
Beta∞	0.95	1.00
Number of securities	187	1,009

Definitions

ƒ 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.

° Return on Equity: The amount of net income returned as a percentage of shareholders' equity. Return on equity measures a corporations' 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. Three-year Beta is used. 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.

Top 10 holdings as of 12/31/2022

Apple, Inc. 5.3%, Microsoft Corp. 4.5%, Alphabet, Inc., Class A 2.4%, Johnson & Johnson 2.3%, NVIDIA Corp. 2.0%, Eli Lilly & Co. 1.8%, Texas Instruments, Inc. 1.8%, Home Depot, Inc., The 1.8%, Bristol-Myers Squibb Co. 1.7% and MetLife, Inc. 1.7%. Holdings are subject to change.

Disclosures

2 The Russell 1000 Index measures the performance of the 1,000 largest US companies, as measured by market capitalization. It is a subset of the Russell 3000 Index, which measures the largest 3,000 companies. The Russell 1000 Index is comprised of over 90% of the total market capitalization of all listed U.S stocks.

3 Lipper Multi-Cap Core Funds Index tracks the results of the 30 largest mutual funds in the Lipper Multi-Cap Core Funds Index Average. The Lipper Multi-Cap Core Funds Index Funds Average is a total return performance average of mutual funds tracked by Lipper, Inc. that invest in a variety of market capitalization ranges without concentrating 75% of their equity assets in any one market capitalization range over an extended period of time. These funds typically have average characteristics compared to the S&P SuperComposite 1500 Index.

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.

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.

IMPAX
Asset Management

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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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