Impax Large Cap Fund

Beyond Financial Returns Report Q2 2024

Content summary

Introduction

At Impax, every strategy is designed to intentionally allocate clients' capital towards those companies which are expected to benefit as the global economy transitions to a more sustainable model. This Beyond Financial Returns Report provides post-investment evidence of this intentionality.

Reporting this year includes data and information related to stewardship outcomes, our policy advocacy focus, as well as impact metrics such as the carbon profile and UN Sustainable Development Goals (SDG) mapping of each strategy. Impax has been measuring environmental impact for its thematic strategies since 2015 and continues to evolve and refine impact reporting in an effort to align with emerging best practice and standardization where possible.

Impax's engagement and voting activity is included to provide a more comprehensive view on Sustainability and Stewardship outcomes for the portfolio. The objective of engagement with investee companies is monitoring, risk management and encouraging improved processes and disclosures, through company-specific, thematic and proxy-voting-related engagements, all important elements of the investment process. For 2022 reporting we have provided a breakdown of Impax's priority engagement themes including climate, people and governance. In addition, Impax has formally distinguished between "outreach activities" and "engagement dialogues" in our tracking of engagements during the year. Impax has not included outreach numbers in this report, but we plan to include these statistics for next year's reporting. We hope this will provide our investors with further insight on emerging themes.

Impax's Policy Advocacy work is focused on shaping the markets and supporting the development and creation of public policy which will accelerate the transition to a more sustainable economy. We plan to combine company engagement and policy advocacy wherever possible to accelerate positive outcomes in the real economy, so-called systematic engagement, as described in our recent Stewardship & Advocacy Report.

Impax's actively managed listed investment strategies employ universe or taxonomy formation to focus portfolios on companies that are set to benefit from the transition to a more sustainable economy. The impact metrics reported for Impax's strategies relate to the benefits that the products and services of investee companies are enabling. Investing in listed companies that deliver positive impact does not increase that impact but demonstrates the investment is strongly aligned to companies benefiting from, and enabling, the transition to a more sustainable economy.

Over the past year, Impax has reviewed its approach to reporting carbon emissions to improve transparency and reflect the latest industry guidance. We will continue to provide detailed information by strategy on the greenhouse gas (GHG) emissions of the companies in which we invest, broken down by Scope 1 & 2, and Scope 3 emissions, as well as the avoided GHG emissions arising from the portfolio companies' products and services. Historically, we have also reported a net GHG emissions and avoidance metric for each strategy but have decided to discontinue reporting this figure and favor gross GHG metrics. This approach aligns with WBCSD Guidance[1] on Avoided Emissions published in March 2023, which states that Scope 1, 2 and 3 GHG emissions should be separated from avoided emissions in external reporting. Impax is part of several industry initiatives seeking to establish standardization to the measurement and reporting of avoided emissions, a critical metric for environmental and climate solutions.

[1] World Business Council for Sustainable Development

Stewardship summary - 2022

Engagement activity

Stewardship is an important part of Impax's investment process. Engagement is used to mitigate risk, and to enhance value and investment opportunities. We remain dedicated to helping companies navigate the transition to a more sustainable economy - engagement can strengthen investee companies over time, making them more resilient. This process takes time and often transpires over longer horizons, with topics for engagement maturing and evolving.

How we report on engagements

For 2022, we have moved away from reporting the total number of engagements and are reporting the number of investee companies we engaged with in the strategy, along with a percentage split and count of the themes we engaged with them on. It is important to highlight that multiple themes may be discussed during one engagement, and we believe that reporting engagements in this way provides more transparency and value to clients.

We have also formally distinguished between "outreach activities", where we make a request of a company without response, and "engagement dialogues", where we have two-way communication with decision-makers. Therefore, our engagement statistics only include engagement dialogues. Impax has not included outreach numbers this year but plans to include these statistics for 2023 engagement reporting so they can accompany the engagement dialogue statistics.

We recognize that the engagement process is a journey. As such, to supplement the statistics, we have included engagement case studies which provide valuable insight into the evolving nature of the engagement process and how we track progress over time against clearly defined objectives.

Engagement themes for 2022

Every year we assess and outline the thematic engagement priorities for the next 12 months. These priorities are based on market developments and emerging environmental, social and governance (ESG) and sustainability issues that are relevant and material for our companies. Within these major themes, there are more detailed and specific topics, such as physical climate risks and employee health & wellness. The below table provides a breakdown of engagement dialogues for the strategy across these themes.

	Engagement theme		
14	Climate	People	Governance
Individual companies engaged	37%	47%	17%

Source: Impax Asset Management. Data as of 12/31/2022. The data in the table may not sum precisely to 100% due to rounding.

Stewardship summary - 2022

Engagement dialogue by investee company

The below table provides a breakdown of themes discussed with investee companies held in the portfolio.

It is important to note that multiple themes may be covered during one engagement with an investee company.

Investee company holding^	Climate	People	Governance	Other ESG issues
Amazon.com Inc	1	1	-	-
Apple Inc	-	1	-	-
Applied Materials Inc	2	-	-	-
Aptiv PLC	1	3	-	-
Bristol-Myers Squibb Co	-	1	-	-
Citizens Financial Group Inc	1	2	-	-
CVS Health Corp	-	1	-	-
Estee Lauder Cos Inc/The	-	1	-	-
Gen Digital Inc	-	1	-	-
IQVIA Holdings Inc	1	-	2	-
JPMorgan Chase & Co	2	3	-	-
Lincoln National Corp	-	1	-	-
Lowe's Cos Inc	-	1	-	-
McCormick & Co Inc/MD	-	1	-	-
Microsoft Corp	-	1	-	-
Mohawk Industries	-	1	-	-
Otis Worldwide Corp	-	1	-	-
PNC Financial Services Group I	-	1	-	-
Procter & Gamble Co/The	-	1	-	-
Prologis Inc	2	3	-	-
PTC Inc	1	-	-	-
Target Corp	-	1	-	1
TE Connectivity Ltd	-	-	1	-
T-Mobile US Inc	1	1	1	-
United Parcel Service Inc	-	1	-	-
Walt Disney Co/The	-	2	-	-
Welltower Inc	-	1	-	-
Weyerhaeuser Co	1	1	-	-

Source: Impax Asset Management. Data as of 03/31/2024. References to specific securities are included as an illustration of the investment managements strategy and should not be considered as a recommendation to buy or sell. This example was selected based on its positive outcome. Other engagement efforts may not result in similar outcomes. Impax makes no representation that any of the securities discussed were or will be profitable, or that future investment decisions will be profitable. Refer to the Methodology page at the back of the report for further details. ^Please refer to the end of the document for the holdings as of 03/31/2024. Holding subject to change.

Engagement example

Corporate Governance

IQVIA Holdings, Life Sciences Tools & Services, US

IQVIA is a unique combination of a traditional Contract Research Organization ('CRO'), which conducts outsourced clinical trials, and a healthcare technology company. Formed in 2016 through the merger of the largest global provider of health care data and the world's largest CRO, the combined company provides a variety of information, technology services and contract research services to healthcare companies. IQVIA is leveraging its unmatched data assets and analytical capabilities to create a differentiated, 'next generation' CRO that can run quicker, more efficient and less costly drug trials.

Topic: Board Structure, Shareholder Rights and Executive Compensation

Start of engagement: 2018

Engagement objectives

1. Improve board structure, including independence and board declassification (achieved, 2022)
2. Improve board diversity across multiple dimensions of diversity, including gender, race, ethnicity, nationality, skills/expertise (improving, progress in 2022)
3. Improve shareholder rights (improving)
4. Improve executive compensation (limited progress, engagement ongoing)

Since 2017, we have voted against various board members and management proposals to express our concern on board independence, classification and diversity, executive compensation and supermajority vote provisions. We communicated our voting rationale to the company and had our first governance-related call in 2020 focused on board structure and composition. In 2020, the company appointed two new independent directors, and committed to improving the board's gender diversity to at least 30%.

At the 2021 annual meeting, we supported a proposal to remove supermajority voting rights. We also shared our rationale for voting against the Nominating Committee Chair, since board gender diversity remained under our expectation of 30%.

Progress and outcomes

The company appointed two independent female directors, improving board independence to 91% and diversity to 36%. As a result of a shareholder proposal supported by shareholders, including Impax, the board will be declassified - meaning board members will face an annual re-election process - over a three-year period.

After many years of engagement and proxy votes against management, we have seen a number of positive outcomes in the company's board structure, and we continue to engage on the topic of executive compensation.

References to specific securities are for illustrative purposes only and should not be considered as a recommendation to buy or sell. This example was selected based on its positive outcome. Other engagement efforts may not result in similar outcomes. Impax makes no representation that any of the securities discussed were or will be profitable, or that future investment decisions will be profitable. Refer to the Methodology page at the back of the report for further details.

Engagement example

People

Walt Disney Company, Movies & Entertainment, US

Walt Disney operates as an entertainment and media enterprise company. Leisure activities, entertainment, and recreation are an important element of health and wellbeing. Disney has a focus on family programming and distributes a market-leading collection via film, digital, and theme parks. In addition, much of the content reinforces positive social values of sharing, inclusion, and need for community.

Topic: Human Capital and Equity, Diversity & Inclusion

Start of engagement: 2020

Engagement objectives

1. Communicate value of assessing and disclosing pay equity data **(achieved, 2020)**
2. Improve understanding of management approach to human capital and Equity, Diversity & Inclusion (E,D&I) **(achieved, 2021-2022)**
3. Disclose quantitative E,D&I data **(achieved, EEO-1 data disclosed in 2021, pay equity data disclosed in 2022)**

Impax has been engaging with Disney since 2020, focusing on human capital and E,D&I topics. In 2022, Impax met with Disney to learn about recent human capital and E,D&I initiatives at the company with a particular focus on employee health & wellness. The engagements were held after the company's 2022 annual meeting, which saw a pay gap reporting shareholder proposal receive majority support by shareholders. Impax had raised this topic with the company previously through a shareholder proposal in 2020. We withdrew our proposal from consideration in recognition of the company's commitment to publish its Employment Information Report (EEO-1) data providing a breakdown of the company's workforce by race/ethnicity and sex and to assign oversight of workplace equity to the Board compensation committee.

Progress and outcomes

Our engagements have provided an opportunity to gain insight into the company's approach to returning to the office post-COVID, employee engagement and wellness, and the complexities of managing a large, diverse workforce. Impax provided feedback on new disclosures over the last year and considerations for future disclosures.

In September 2022, Disney published its adjusted pay data by race and gender for the first time. Its analysis showed that women are paid nearly identically to men, and Asian, Black and Hispanic workers are all paid nearly the same as White workers. The company also committed to additional disclosure over time, including with respect to unadjusted pay gap data.

References to specific securities are for illustrative purposes only and should not be considered as a recommendation to buy or sell. This example was selected based on its positive outcome. Other engagement efforts may not result in similar outcomes. Impax makes no representation that any of the securities discussed were or will be profitable, or that future investment decisions will be profitable. Refer to the Methodology page at the back of the report for further details.

Proxy voting summary - 2022

Proxy voting is an important catalyst for dialogue on corporate governance best practice, both before and after companies' annual general meetings. It is an important lever which we leverage to express our views on board structure and independence, executive compensation, shareholder rights, diversity, sustainability management and reporting, and climate. As shareholder proposals grow more sophisticated and plentiful every year, general investor interest in proxy voting has increased significantly, a trend we believe will continue.

Impax's approach to shareholder proposals continues to be recognised. We ranked first in ShareAction's "Voting Matters Report" for consistently voting in favor of key environmental and social shareholder proposals in 2020, 2021 and 2022.

Our voting decisions follow the Impax Proxy Voting Guidelines, bringing consistency and transparency to our approach. Further details can be found here.

See below for key voting statistics for the strategy as of December 31, 2022.

48
meetings where Impax voted

592
management resolutions on which Impax voted

93
shareholder resolutions on which Impax voted

96%
meetings in which Impax voted (as a percentage)

6%
management resolutions in which Impax voted "against and/or abstained and/or withheld"

88%
shareholder resolutions in which Impax voted "For". ie Against Management

Source: Impax Asset Management. Data as of 12/31/2022.

Policy advocacy priorities for 2023 and beyond

Impax's Global Policy Group brings together expertise from across the company to support policy makers in Europe, North America, and Asia in accelerating the transition to a more sustainable economy. This work reflects Impax's commitment to policy advocacy and utilizes a rolling three-year plan to focus on a number of important longer-term priorities.

Advancing the pursuit of net-zero emissions will continue to be a focus. Impax believes its influence can be amplified by acting in concert with like-minded members of the financial community and therefore looks to play a leading role within groups including the Institutional Investors Group on Climate Change (IIGCC) and Glasgow Financial Alliance for Net Zero (GFANZ). Impax is a firm advocate that investors and lenders must not only focus on decarbonizing their portfolios, but also finance solutions that reduce GHG emissions if the world is to achieve net-zero goals. Financing the energy transition and clean electrification, as well as getting hard-to-abate sectors — such as aviation, shipping, steel and cement — on the path to net zero are key areas of opportunity.

Greening the financial system remains key to the transition to a more sustainable economy. Impax therefore is prioritizing work on sustainability-related disclosures, engaging with regulators including the US Securities and Exchange Commission (SEC) and the UK's Financial Conduct Authority (FCA) to advocate for more rigorous reporting requirements. In addition, Impax will engage with new initiatives seeking to develop guidance on corporate transition plans to drive the net-zero transition in the real economy, in particular through GFANZ, the Climate Financial Risk Forum and the UK's new Transition Plan Taskforce.

Biodiversity loss and growing awareness of **economic dependence on natural capital** has put this topic in the spotlight. The financial sector can play a critical role in addressing environmental degradation by both influencing companies to stop depleting natural resources and by deploying capital into nature-based solutions. Impax believes it can contribute through participation in initiatives like the Finance Sector Deforestation Action, Natural Capital Investment Alliance, and the Taskforce on Nature-Related Financial Disclosures, as well as through collaboration with policymakers. Impax is also partnering with Imperial College to advance understanding of nature-positive investment opportunities.

Physical impacts of climate change have been inescapable around the world, highlighting an urgent need to increase action to manage and adapt to this risk. Impax will continue to engage with policymakers and investors on **climate resilience and adaptation**. Collaborative efforts have included IIGCC's Adaptation & Resilience Working Group and development of investment frameworks, as well as the Coalition for Climate Resilient Investment's advances on physical climate risk models. Impax is also working jointly with Oxford University on developing a consistent methodology for translating climate change into quantitative inputs.

Lastly, on the topic of **Human Capital Development and E, D&I,** Impax explores opportunities to use investor influence to push for positive social change, including ensuring that social issues are taken into consideration in the design of net-zero policies adopted by governments and corporates. Impax's advocacy here will continue to include collaborative work, such as in the Financing a Just Transition Alliance, as well as activities to promote diversity for example in Asia, through work with the Asian Corporate Governance Association. Impax has been engaging with US companies on their provision of employee wellness programs, including reproductive health care, since the Supreme Court's Dobbs decision. Impax is also anticipating the SEC's proposed rule on human capital disclosure and has developed several points to contribute for comment on that regulation.

As reported in our recent "Stewardship and Advocacy Report", we plan to increasingly combine company engagement and policy advocacy to accelerate positive outcomes in the real economy, through so-called systematic engagement, with a case study included in this report.

Case study: Combining company engagement and policy advocacy – Systematic Engagement

Physical Climate Risk – mandated disclosure of material physical asset risk

Physical climate risks are systematic risks that many companies are exposed to, but that most companies are not adequately prepared for today. Impax has combined physical climate risk engagements with companies and advocacy with regulators, systematic engagements, to accelerate progress on companies' physical climate risk management and for more detailed disclosures on companies' geo-location data of their strategic plants and facilities, enabling investors to analyse companies' risk exposures.

Objective:
Prompt companies to report the locations of their physical assets whose loss or damage would be a material event.

Key steps:

June 2020: Impax submitted to the SEC a petition that companies be required to report on the geolocations of their key assets. This petition was later turned into a publication in the Harvard Law School Forum on Corporate Governance.

August 2020: The New York State Common Retirement Fund joined Impax's efforts. This enabled asking all companies in the S&P 500 to report on the location of assets whose loss or damage would be a material event.

September 2020: Impax published a paper on Physical Climate Risks - what are they, how can they be recognized, and to whom do they apply?

September 2021: Impax published Seeking Coordinates, a synthesis of what was learned from this engagement with the constituents of the S&P 500. Result: only *three* companies had given serious consideration to their exposure to physical risks, further proving the importance of this disclosure objective.

Summer 2022: Additional investors, including CalSTRS and PIMCO, joined these advocacy efforts.

Fall 2022: Impax further developed the request - asking companies not only to report on their assets, but to report also on their assessment of physical risks from climate change, and to detail their efforts to manage and adapt to those risks.

Outcome:

Summer 2022: After meetings with the Chair and staff of the SEC to advocate for Impax's objective, the SEC proposed its new Climate Rule, which included attention to physical risk. This rule is likely to be released in the fall of 2023.

Winter 2022 - Spring 2023: Impax engaged with semiconductor manufacturers regarding their exposure to and management of climate-related physical risks, focusing on flooding and drought.

Carbon profile

Based on US$10m invested, in 2022 the companies in the fund contributed to:

	Total
Scope 1 & 2 GHG emissions (tCO_2e)	120
Scope 3 GHG emissions (tCO_2e)	1,420
Avoided GHG emissions (tCO_2e)	320

Avoided GHG emissions (tCO_2e) were equivalent to:

Number of cars off the road	70

In 2022, the companies in the fund contributed to:

	Total
Scope 1 & 2 GHG emissions (tCO_2e)	16.010
Scope 3 GHG emissions (tCO_2e)	191,130
Avoided GHG emissions (tCO_2e)	42,630

Avoided GHG emissions (tCO_2e) were equivalent to:

Number of cars off the road	9,270

There can be no assurance that results in the future will be comparable to the results presented herein. Source: Impax Asset Management. Based on most recently reported annual environmental data for holdings and assets under management as of 12/31/2022. Impax's impact methodology is based on equity value. Refer to the Methodology section at the back of the report for further details on methodology and summarized data that was available and estimated for companies in the portfolio.

Carbon analysis

Typically, we gather Scope 1, 2, and 3 GHG emission data directly from company disclosures and/or via the Climate Disclosure Project (CDP). Where sufficient information is not available, we may contact companies to request additional information, which in some cases produces enhanced data. Impax uses third party estimates for missing Scope 1 and 2 GHG emissions. Impax does not use estimates for Scope 3 GHG emissions.

Avoided GHG emissions arise from the portfolio companies' products and services. This data is sourced from the company directly or is calculated at the relevant individual company product level using a number of inputs to produce a conservative avoidance of GHG emissions figure. Such inputs may include volumes of products sold, product-level efficiency indicators versus regional baselines and regional grid efficiency factors.

Among holdings contributing to avoidance of GHG emissions were many business models.

Weyerhaeuser (Timber REITS) via sustainable forest management and forest regeneration; Trimble (Electronic Equipment & Instruments) , a technology company whose products generate diesel fuel savings through resource efficiency solutions in sectors such as agriculture, construction, transport, and water. Aptiv (Automotive Parts & Equipment), a leader in smart and electric vehicle architecture manufactures engineered components that support electrification and lower emission transportation; Equinix (Data Center REITs), whose datacenters deploy advanced cooling, heat reuse, humidification, and renewable energy among other technologies for leading energy efficiency and reduced GHG emissions; and lastly Microsoft (Systems Software), with energy efficiency and GHG emissions savings from cloud-based Azure IT infrastructure storage solutions and other products.^

Weighted Average Carbon Intensity (WACI)

Investors are keen to understand the Weighted Average Carbon Intensity (WACI) of portfolios, and increasingly also seek an ability to reference results against those for the broader market. For Impax-managed portfolios, we use the above-described process to gather stock-level GHG emission data (Scope 1 & 2) and calculate companies' GHG emissions per US$1 million of sales (WACI). To calculate WACI for broader equity benchmarks, we use Impax stock-level data where available and third-party data for the remaining constituents of the benchmark. Measurement of GHG emissions is still an evolving discipline, and data can vary significantly between third-party providers – this is due to differences in data gathering methodologies including aspects such as varying percentages of stock coverage and differing estimation methodologies and models.

	Total
US Large Cap strategy *(representative account for Impax Large Cap Fund)*	20.9[1]
S&P 500 Index	117.7

[1]*Total scope 1 & 2 using Impax impact data, tCO_2e per $1 million sales*

There can be no assurance that results in the future will be comparable to the results presented herein. Source: Impax Asset Management. Third party data is sourced from Bloomberg. Based on most recently reported annual environmental data for holdings and assets under management as of 12/31/2022. References to specific securities are for illustrative purposes only and should not be considered as a recommendation to buy or sell. Impax's impact methodology is based on equity value. Refer to the Methodology section at the back of the report for further details on methodology and summarized data that was available and estimated for companies in the portfolio. [1]Please refer to the end of the document for more information about Weighted Average Carbon Intensity. ^Please refer to the end of the document for the holdings as of 03/31/2024. Holdings subject to change.

Carbon profile – case study

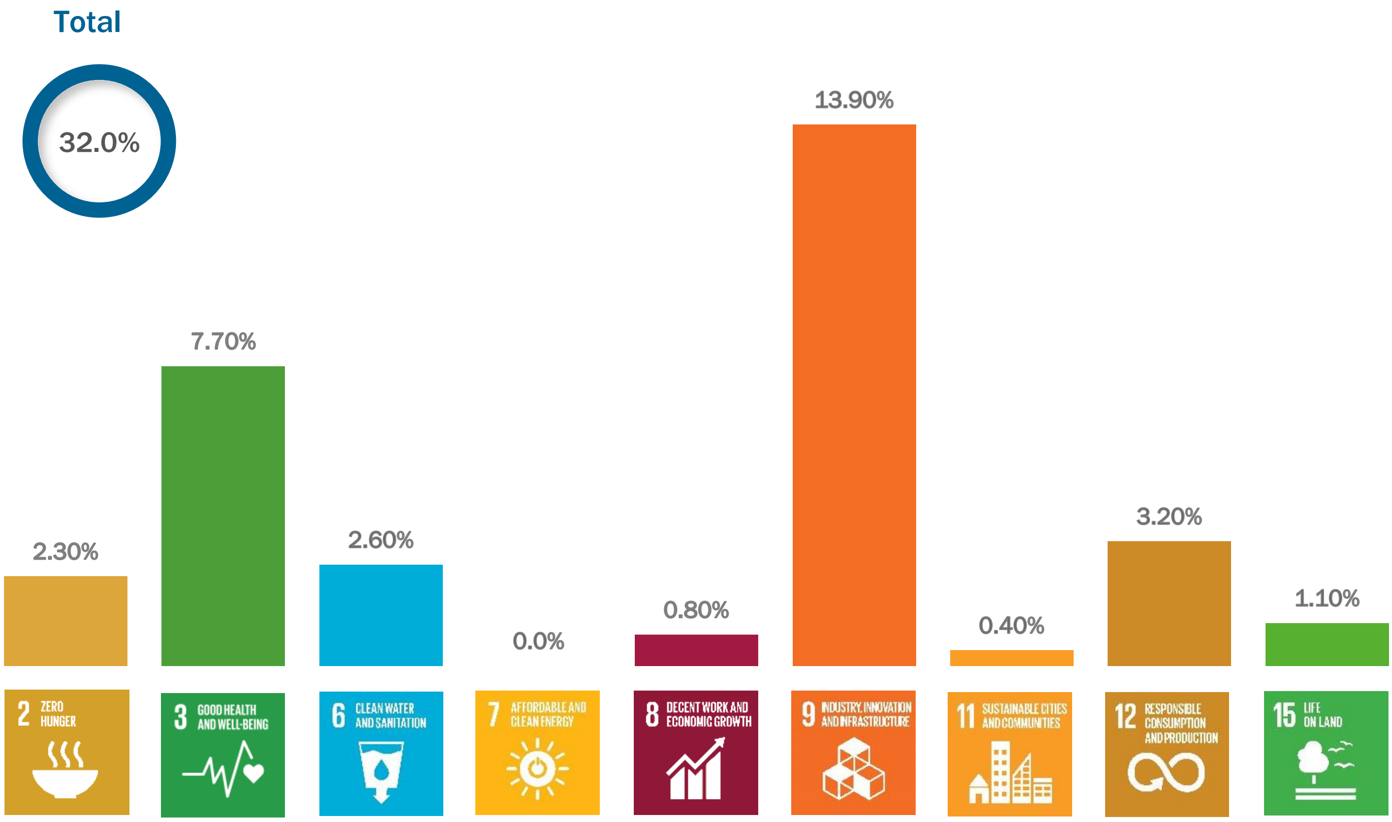
Aptiv, Advanced Road Vehicles & Devices, US

Aptiv is a global technology company that develops safe, green and connected solutions that enable the future of mobility. Formerly Delphi Connection Systems, Aptiv has operations in 48 countries with over 130 manufacturing facilities. Vehicles are on a path to becoming a software-defined platform, akin to mobile supercomputers. Aptiv's products provide the critical signal distribution and computing power backbone that supports increased vehicle content and electrification, reduced emissions, and higher fuel economy.

The company's objective is to make mobility greener by minimizing the vehicle's total life cycle environmental impact. Among innovative products, next-generation Aptiv charging inlets have 55% more charging power with as much as a 37% reduction in charging time due to advanced active cooling methods. Similarly, high-voltage Aptiv aluminum cables and bars reduce vehicle weight and energy consumption. In 2022, around 1.7 million tonnes of CO_2 emissions were avoided through vehicles that contain Aptiv's high voltage architecture/electrification and optimized power consumption solutions.

There can be no assurance that results in the future will be comparable to the results presented herein. Source: Impax Asset Management. Based on most recently reported annual environmental data for holdings and assets under management as of 12/31/2022. References to specific securities are for illustrative purposes only and should not be considered as a recommendation to buy or sell. Impax's impact methodology is based on equity value. Refer to the Methodology section at the back of the report for further details on methodology and summarized data that was available and estimated for companies in the portfolio.

UN SDG alignment



No.	UN Sustainable Development Goals	Revenue Exposure
2	Zero Hunger	2.3%
3	Good Health and Well-being	7.7%
6	Clean Water and Sanitation	2.6%
7	Affordable and Clean Energy	0.0%
8	Decent Work and Economic Growth	0.8%
9	Industry, Innovation and Infrastructure	13.9%
11	Sustainable Cities and Communities	0.4%
12	Responsible Consumption and Production	3.2%
15	Life on Land	1.1%
Total		**32.0%**

Impax has mapped the portfolio to show how companies' eligible activities align with the UN Sustainable Development Goals:

- **Goal 9**, Industry Innovation and Infrastructure, which relates to holdings in Systems Software, Auto Parts & Equipment, Building Products, and Electronic Manufacturing Services.
- **Goal 3**, Good Health and Well-being, which relates to holdings in Life Sciences Tools & Services, Biotechnology, Pharmaceuticals.
- **Goal 12**, Responsible Consumption and Production, which relates to holdings in Food Distributors, Metal & Glass Containers, and Personal Care Products.

Source: Data as of 12/31/2022 The UN SDGs encompass 17 goals. For further information, please visit http://www.un.org/sustainabledevelopment/sustainable-development-goals. Figures above are based on Impax internal data. Impax's investment process does not identify alignment with SDGs as a specific objective. Instead, the nature of Impax's investment philosophy results in some meaningful revenue exposure within the Environmental Markets strategies, as well as the Sustainability Lens strategies with emerging market exposure. Data rounded to nearest full percentage point, therefore weightings less than 0.5% are not included.

Sustainability characteristics

Here is how the Fund compares to a traditional benchmark and peers regarding a wider range of sustainability characteristics.

MSCI ESG Fund Rating*

AA

CCC	B	BB	BBB	A	AA	AAA

Represents the aggregate ranking of the Fund's holdings as of 06/30/2024. Certain information © MSCI ESG Research LLC. Reproduced by permission; no further distribution. Produced by MSCI ESG Research as of 06/30/2024.

Morningstar Sustainability Rating™**

High

Sustainability Percentile Rank in Category: 3. Sustainability Score: 18.27. Global Category: US Equity Large Cap Blend. Based on 99% of AUM out of a universe of 3,672 funds. Sustainability Score as of 05/31/2024. Sustainability Rating as of 05/31/2024.

Morningstar Low Carbon Designation™***

Low Carbon

US Equity Large Cap Blend as of 05/31/2024.

Based on 99% of AUM.

Source: Data as of 03/31/2024. Please see end of document for additional disclosures.

Impax's current memberships

Impax works collaboratively with peers to support the expansion of sustainable finance. Here is a selection of our current memberships.

A Just Transition: Looking at challenges faced when moving to a more sustainable economy and why investors need to integrate a social dimension into their climate strategies.

Asian Corporate Governance Association (ACGA): Focuses on collaborative engagement with companies and policymakers to improve governance structures and practices in Asia.

Carbon Disclosure Project (CDP): An independent organization holding the largest database of corporate climate change information in the world.

Climate Action 100+: An investor-led initiative aimed at encouraging the world's largest corporate greenhouse gas emitters to improve governance on climate change, emissions and climate-related financial disclosures.

Council of Institutional Investors (CII): Promoting strong governance and shareholder rights standards at public companies.

Defined Contribution Institutional Investment Association: A non-profit association dedicated to enhancing the retirement security of America's workers.

Energy Transitions Commission: A global coalition of leaders from across the energy landscape committed to achieving net-zero emissions by mid-century.

FAIRR: A collaborative investor network that raises awareness of the environmental, social and governance risks and opportunities brought about by industrialized livestock production.

Financing a Just Transition Alliance: Identifies the role finance can play in connecting action on climate change with inclusive development pathways.

Finance Sector Deforestation Action: Collaborative to unite organizations around a shared engagement approach to tackling deforestation and other climate and nature-related initiatives.

Global Impact Investing Network (GIIN): The largest global community of impact investors (asset owners and asset managers) and service providers engaged in impact investing.

Global ESG Benchmark for Real Assets (GRESB): Industry-led organization that provides environmental, social and governance data to financial markets.

Institutional Investors Group on Climate Change (IIGCC): A forum for collaboration on climate change for European investors.

Interfaith Center on Corporate Responsibility: Coalition of institutional investors aiming to integrate social values into corporate and investor actions.

Investor Network on Climate Risk (INCR): Partners with investors worldwide to advance investment opportunities and reduce material risks posed by sustainability challenges such as global climate change and water scarcity.

Long-term Investors in People's Health Initiative (LIPH): Giving investors the tools to improve health outcomes by sharing best practices and creating opportunities to collaborate on corporate engagement.

Natural Capital Investment Alliance: Mobilizing investment in Nature-based economic opportunities.

Net Zero Asset Managers Initiative: An international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner.

Plastic Solutions Investor Alliance (As You Sow): International coalition of investors that engages publicly traded consumer goods companies on the threat posted by plastic waste and pollution.

Impax's current memberships continued:

Powering Past Coalition Alliance: Coalition of governments, businesses and organizations working to advance the transition from unabated coal power generation to clean energy.

Principles for Responsible Investment (PRI): Aims to help investors integrate ESG considerations into investment decision making and supports sharing best practice in active ownership.

PRI Sustainable Stock Exchanges Working Group: A peer-to-peer learning platform for investors, regulators, and companies. Looking at enhancing corporate transparency, and ultimately performance, on ESG risks and encouraging sustainable investment.

Race at Work: Part of BITC Business in the Community, The Prince's Responsible Business Network, this initiative seeks to accelerate change through five calls to action for organizations committed to improving equality of opportunity in the workplace.

ShareAction Investor Decarbonization Initiative: Aims to bring together investors to accelerate corporate action on climate change.

Shareholder Rights Group: Association of investors that defends share owners' rights to engage with public companies on governance and long-term value creation.

Sustainable Investment Institute: A non-profit organization conducting research and publishing reports on organized efforts to influence corporate behavior on social and environmental issues.

Task Force on Climate-related Financial Disclosures (TCFD): Develops voluntary, consistent climate-related financial risk disclosures for companies providing information to investors, lenders, insurers and other stakeholders.

Taskforce on Nature-related Financial Disclosures: Member of TNFD Forum to help develop and deliver a risk management and disclosure framework reporting and acting on nature-related risks.

The Investing and Saving Alliance (TISA): A not-for-profit membership organization with a mission to improve the financial wellbeing of UK consumers and help shape the future of the UK financial services industry.

Thirty Percent Coalition: A unique and groundbreaking US organization committed to having women, including women of color, hold 30 percent of board seats across public companies.

Tobacco Free Portfolios: A group of financial institutions that have implemented tobacco-free finance policies and encourage others to follow suit.

UK Stewardship Code: Aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities.

UK Sustainable Investment and Finance Association (UKSIF): Provides services and opportunities to align investment profitability with social and environmental responsibility.

USSIF: A US-based membership association promoting sustainable, responsible and impact investment.

Women's Empowerment Principles: The UN Women's Empowerment Principles are a set of practical guidelines that businesses can use to promote gender equality in the workplace and the community.

Women in Finance: Commitment by the UK's HM Treasury to build a more balanced and fair industry, working to see gender balance at all levels across finance services firms.

Source: Data as of 03/31/2024. For updated listings refer to www.impaxam.com/about-us/memberships.

Methodology

Impact methodology

The relevant environmental metrics for all portfolio companies were measured where data was available or could be estimated. The analysis included all companies in which the strategies were invested as of 12/31/2022. At the time of preparation, Impax aimed to obtain the most recently available and commonly collected environmental data from investee companies. For approximately 80% of companies this was from 2022 reported information, and for the remainder of companies this was from previously reported information. The percentage owned in each underlying company (calculated based on the proportion of shares owned) as of 12/31/2022 was applied to measure the environmental benefit attributable to the strategies. These included:

- Greenhouse gas (GHG) emissions, Scope 1, 2 and 3 (tones of CO_2e)
- Greenhouse gas (GHG) avoidance (tones of CO_2e)
- Renewable electricity generated (MWh)
- Water treated, saved or provided (megaliters/gallons)
- Materials recovered/waste treated (tones/tons)

The relevance of each metric was also assessed for each company based on its business activities.

Impax created a heat map which provided a qualitative indication for the positive impact of each company.

Impax collected relevant data from company disclosures, including sources such as annual reports, CDP and sustainability reports. Where information was not available, Impax contacted companies to request additional disclosure, which in some cases produced additional relevant data.

However, some companies could not/did not provide information on several metrics. Impax therefore created estimates where robust data was obtained for these metrics:
- For missing Scope 1 and 2 GHG emissions data, Impax uses third party estimates for missing Scope 1 and 2 GHG emissions. Impax does not use estimates for Scope 3 GHG emissions.
- For missing environmental impact data, industry or academic data was sought in order to set robust assumptions, including baselines relating to environmental performance and impact. In cases where robust data could not be found, zero impact was reported for a company.

Impax strives to be conservative with estimates in an effort to ensure that positive impact is not overstated, or in the case of GHG emissions, avoided emissions are not overstated.

The following table summarizes the data that was available and estimated for companies in the portfolio. The total number of companies in the portfolio as of 12/31/2022 was 49.

Metric estimated/disclosed	Companies for which the metric is relevant	Companies for which the metric was available	Companies for which the metric was estimated	Metric was not available and could not be estimated
CO_2 emitted	49	49	0	0
CO_2 avoided	32	9	9	31
Renewable electricity generated	4	4	0	10
Water treated, saved or provided	4	3	0	11
Materials recovered/ waste treated	0	0	0	14

The environmental impact of investments will always depend on the mix of underlying holdings and are thus subject to change. The information contained in this report is therefore specific to the date listed herein.

Methodology

The Weighted Average Carbon Intensity (Tons CO2/$M Sales) is calculated using MSCI ESG Research company level research and measures a fund's exposure to carbon intensive companies. This figure represents the estimated greenhouse gas emissions per $1 million in sales across the fund's holdings. This allows for comparisons between funds of different sizes. A portfolio's weighted average carbon intensity is achieved by calculating the carbon intensity (Scope 1 + 2 Emissions / $M Sales) for each portfolio company and calculating the weighted average by portfolio weight.

At the company level, the carbon intensity (Scope 1 + 2 Emissions/$M Sales) represents the company's most recently reported or estimated Scope 1 + Scope 2 greenhouse gas emissions normalized by sales in USD. MSCI ESG Research collects company-specific direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions data from company public documents and the Carbon Disclosure Project (CDP). If a company does not report GHG emissions, then MSCI ESG Research uses a proprietary methodology to estimate Scope 1 and Scope 2 GHG emissions. The data is updated on an annual basis. Scope 1 emissions are those from sources owned or controlled by the company, typically direct combustion of fuel as in a furnace or vehicle. Scope 2 emissions are those caused by the generation of electricity purchased by the company. For more information, visit https://www.msci.com/index-carbon-footprint-metrics.

Carbon Intensity scores are determined by taking the market value of each security and company-level data to calculate the weighted average score at the portfolio level. The Fund and Index weighted average carbon intensity numbers are calculated by and sourced from FactSet, using MSCI ESG Research company-level data. As of 06/30/2024, the Fund weighted average carbon intensity was 37.80 vs. 109.54 for the benchmark. Data availability for the Fund is 96.36% by weight, and 98.21% of the benchmark by weight. Data availability for the Fund and benchmark may not add up to 100% due to the limited data availability within emerging markets.

SDG mapping

The UN Sustainable Development Goals (SDGs) comprise a series of 17 sets of targets across a range of issues including poverty, inequality, climate change, clean water, gender inequality and other global challenges, to be met by the world's economies by 2030. Please refer to the SDGs for additional information. Impax Asset Management (Impax) uses the SDG framework to understand which current and potential portfolio companies are involved in activities that contribute towards addressing these critical global challenges.

Impax's methodology is based on identifying the portion of companies' revenues that relate to the targets and indicators within each Goal. For further details, please refer to the latest Impact@Impax report. Impax focuses on those SDGs where the underlying targets of the Goal are relevant to private sector investment opportunities, rather than public funding or policy action.

Mapping of company revenues to the SDGs occurs annually at the end of each calendar year and is quantified based on portfolio company disclosures. The mapping is done on a global basis and does not differentiate between regions except in the case of financial services and telecom companies and their business activities relevant to SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation and infrastructure) where Impax only focuses on company revenue generated in the least developed countries (LDCs). For business activities relevant to other SDGs the focus described by the SDG framework is predominantly 'global'. As such, Impax's methodology for measuring SDG-related revenue does not differentiate between geographic regions as the natural environment is regarded as a "global common."

Impax's investment process does not analyze alignment with SDGs as an investment objective or component of portfolio construction. Impax simply maps SDG-related revenue exposure for portfolio companies, which is instead a byproduct rather than a feature of the investment process.

^ Page 5 and 12

As of 06/30/2024, the top 10 holdings of the Fund: Microsoft Corp was 7.9%, Alphabet INC CL A was 5.4%, NVIDIA Corp was 4.7%, Apple Inc was 3.7%, ServiceNow was 2.6%, Oracle Corp was 2.6%, Merck & Co. INC was 2.5%, JPMorgan Chase & Co was 2.4%, Walt Disney Co was 2.2%, and Proctor and Gamble was 2.2% of the fund. Holdings subject to change.

Disclosures and definitions:

*The MSCI ESG Fund Rating is designed to assess the resilience of a fund's aggregate holdings to long term ESG risks. MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. Highly rated funds consist of issuers with leading or improving management of key ESG risks. The Fund ESG Rating is calculated as a direct mapping of "Fund ESG Quality Score" to letter rating categories. The MSCI ESG Quality Score assesses the resilience of a fund's aggregate holdings to long-term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks, based on a granular breakdown of each issuer's business: its core product or business segments, the locations of its assets or revenues, and other relevant measures such as outsourced production. The MSCI ESG Quality Score is provided on a 0-10 scale, with 0 and 10 being the respective lowest and highest possible fund scores.

The MSCI ESG Quality Score is assessed using the underlying holding's Overall ESG Scores, Overall ESG Ratings, and Overall ESG Rating Trends. It is calculated in a series of 3 steps. Step 1: Calculate the Fund Weighted Average ESG Score of the underlying holding's Overall ESG Scores. The Overall ESG Scores represent either the ESG Ratings Final Industry-Adjusted Score or Government Adjusted ESG Score of the issuer. Methodology for the issuer level scores are available in the MSCI ESG Ratings Methodology document. Step 2: Calculate adjustment % based on fund exposure to Fund ESG Laggards (%), Fund ESG Trend Negative (%), and Fund ESG Trend Positive (%). Step 3: Multiply the Fund Weighted Average ESG Score by (1 + Adjustment %).

The MSCI ESG Ratings range from Leader, Average to Laggard. AAA, AA: Leader (Fund ESG Quality Scores: 8.6- 10: AAA, 7.1- 8.6: AA) - The companies that the fund invests in tend to show strong and/or improving management of financially relevant environmental, social and governance issues. These companies may be more resilient to disruptions arising from ESG events. A, BBB, BB: Average (Fund ESG Quality Scores: 5.7- 7.1: A , 4.3- 5.7: BBB, 2.9- 4.3: BB) - The fund invests in companies that tend to show average management of ESG issues, or in a mix of companies with both above-average and below-average ESG risk management. B, CCC: Laggard (Fund ESG Quality Scores: 1.4- 2.9: B, 1.4 and below: CCC) - The fund is exposed to companies that do not demonstrate adequate management of the ESG risks that they face or show worsening management of these issues. These companies may be more vulnerable to disruptions arising from ESG events. For more information, please visit www.msci.com/esg-fund-ratings.

**The Morningstar Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their financially material environmental, social and governance, or ESG, risks relative to the fund's Morningstar Global Category peers. The Morningstar Sustainability Rating calculation is a five -step process. First, each fund with at least 67% of assets covered by a company-level ESG Risk Score from Sustainalytics receives a Morningstar Portfolio Sustainability Score. The Morningstar Portfolio Sustainability Score is an asset-weighted average of company-level ESG Risk Scores. The Portfolio Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies with high ESG Risk. Second, the Historical Sustainability Score is an exponential weighted moving average of the Portfolio Sustainability Scores over the past 12 months. The process rescales the current Portfolio Sustainability Score to reflect the consistency of the scores. The Historical Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies with high ESG Risk, on a consistent historical basis. Third, the Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Global Categories in which at least thirty (30) funds receive a Historical Sustainability Score and is determined by each fund's Morningstar Sustainability Rating Score rank within the following distribution: High (highest 10%), Above Average (next 22.5%), Average (next 35%), Below Average (next 22.5%), and Low (lowest 10%). Fourth, then Morningstar applies a 1% rating buffer from the previous month to increase rating stability. This means a fund must move 1% beyond the rating breakpoint to change ratings. Fifth, they adjust downward positive Sustainability Ratings to funds with high ESG Risk scores. The logic is as follows: If Portfolio Sustainability score is above 40, then the fund receives a Low Sustainability Rating. If Portfolio Sustainability score is above 35 and preliminary rating is Average or better, then the fund is downgraded to Below Average. If the Portfolio Sustainability score is above 30 and preliminary rating is Above Average, then the fund is downgraded to Average. If the Portfolio Sustainability score is below 30, then no adjustment is made. The Morningstar Sustainability Rating is depicted by globe icons where High equals to 5 globes and Low equals 1 globe. Since a Sustainability Rating is assigned to all funds that meet the above criteria, the rating it is not limited to funds with explicit sustainable or responsible investment mandates. Morningstar updates its Sustainability Ratings monthly. The Portfolio Sustainability Score is calculated when Morningstar receives a new portfolio. Then, the Historical Sustainability Score and the Sustainability Rating is calculated one month and six business days after the reported as-of date of the most recent portfolio. As part of the evaluation process, Morningstar

Continued on next page

Disclosures and definitions: continued

**The Morningstar Sustainability Rating™, continued

uses Sustainalytics' ESG scores from the same month as the portfolio as-of date. Please visit morningstar.com/content/dam/marketing/shared/research/methodology/SustainabilityRatingMethodology_2021.pdf for more detailed information about the Morningstar Sustainability Rating methodology and calculation frequency. Sustainalytics is an independent ESG and corporate governance research, ratings, and analysis firm. Morningstar, Inc. holds a non-controlling ownership interest in Sustainalytics.

***The Morningstar Low Carbon Designation is given to portfolios with low Carbon Risk Score and low levels of fossil fuel exposure. Morningstar calculates the Carbon Risk Score based on company-level carbon-risk assessments from Sustainalytics, a leading independent provider of ESG and corporate governance ratings and research. Morningstar calculates carbon metrics on a quarterly basis for any fund that has at least 67 percent of its portfolio assets covered by Sustainalytics' company-level carbon-risk research. The Carbon Risk Score is the asset-weighted sum of the carbon risk scores of its holdings, averaged over the trailing 12 months and displayed as a score and a category: 0 corresponds to the Negligible risk category; 0.10-9.99 = Low risk; 10-29.99 = Medium risk; 30-49.99 = High risk; and 50 or higher up to 100 = Severe risk. The Morningstar® Portfolio Fossil Fuel Involvement™ percentage is a portfolio's asset-weighted percentage exposure to fossil fuels, averaged over the trailing 12 months. The Low Carbon Designation is based on a fund's Carbon Risk Score and its Fossil Fuel Involvement percentage.

The Morningstar Low Carbon Designation is intended to allow investors to easily identify low-carbon funds across the global universe. The designation is an indicator that the companies held in a portfolio are in general alignment with the transition to a low-carbon economy. The Morningstar Portfolio Fossil Fuel Involvement percentage assesses the degree to which a portfolio is exposed to thermal coal extraction and power generation as well as oil and gas production, power generation, and products & services. To receive the designation, a portfolio must meet two criteria: a. A 12-month trailing average Morningstar Portfolio Carbon Risk Score below 10 and b. A 12-month trailing average exposure to fossil fuels less than 7% of assets, which is approximately a 33% underweighting to the global equity universe. Please visit morningstar.com/content/dam/marketing/shared/research/methodology/SustainabilityRatingMethodology_2021.pdf for more detail information about the Morningstar Low Carbon Designation and its calculation.

Low Carbon Designation as of 05/31/2024. Portfolio as of 05/31/2024. Category: US Equity Large Cap Blend. Based on 99% of AUM. Data is based on long positions only.

Important information

RISKS: 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 (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.

Investment return and principal value will fluctuate so that you may have a gain or a loss when you sell your shares.

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. Past performance is no guarantee of future results.

Impax Asset Management LLC is investment adviser to Impax Funds. Effective December 31, 2022, the name of the Pax World Funds changed to Impax Funds. Impax Funds are distributed by Foreside Financial Services, LLC. Foreside Financial Services LLC is not affiliated with Impax Asset Management LLC.

IAML-D-572829 (10/24)