

Impax US Sustainable Economy Fund

Quarterly Commentary

All data as of 09/30/2025

Performance

- The portfolio underperformed the Russell 1000 benchmark during the quarter. Similar to the environment in the second quarter, the risk-on posture of US equity markets favoured high risk, high momentum and lower quality factors. Despite the modest nature of the portfolio's factor tilts, the lower risk, high quality positioning drove the portfolio's underperformance. Security selection was challenged within Industrials: heating, ventilation and air conditioning (HVAC) holdings Carrier, Johnson Controls, and Trane all contributed negatively as investors pondered slower residential construction trends. Weakness in Health Care selection was in biotechnology and managed care, which saw continued uncertainty as markets awaited the US Administration's plans for funding a variety of healthcare services. Selection was strongest in Information Technology, as AI related stocks in the semiconductor and systems software industries continued to benefit from AI-related investment.
- The sustainability tools muted the negative factor-based impacts with industry tilts from the Sustainability Lens and focus on companies with attractive Corporate Resilience profiles benefitting the portfolio.

Market overview

- US equities posted modest gains in Q3, largely driven by strength in large-cap growth stocks. The passage of the One Big Beautiful Bill (OB BB) in the US was a key catalyst early in the quarter, providing short-term stimulus through extended tax cuts and incentives for domestic reshoring. While concerns linger over its longer-term impact on the US fiscal deficit and inflation, the bill helped lift investor sentiment, particularly towards large-cap and technology stocks. The US Federal Reserve's interest rate cut in September also helped to support valuations and extend the risk-on rally in equities.
- Despite pockets of strength in stocks with exposure to the AI theme, market breadth was limited throughout the quarter. The equal-weighted S&P 500 Index underperformed the broad index, reflecting the highly selective nature of gains. Small- and mid-cap stocks fell back, reacting to tightening financial conditions and a backdrop of uneven economic indicators. Beyond equities, bond markets responded to the Federal Reserve's interest rate cut, setting the upper bound at 5.25%, as inflation showed signs of abating and the labour market softened. Treasury yields were volatile: the 10-year yield peaked near 5.0% before falling to 4.03%, and the 2-year yield ended at 3.50%, reflecting expectations for further rate cuts. Municipal bonds delivered mixed results, pressured by longer maturity supply and fiscal concerns.
- As we end the quarter, regulatory uncertainty has eased for Health Care stocks with the announcement of a deal between the US administration and drug company Pfizer to lower prescription drug prices under the government-funded Medicaid programme. On the other hand, the US government shutdown may weight on sentiment over the short term, however these shutdowns have historically been resolved with little impact on equity markets.

CONTINUED ►

Performance (%)	Total return			Average annual return				
	1M	3M	YTD	1Y	3Y	5Y	10Y	SI ¹
Institutional Class	3.15	7.33	11.30	10.44	22.48	14.71	13.22	12.00
Investor Class	3.11	7.27	11.08	10.17	22.19	14.42	12.94	11.72
Class A (Load-waived)	3.13	7.31	11.13	10.17	22.17	14.41	12.94	11.73
Russell 1000	3.47	7.99	14.60	17.75	24.64	15.99	15.04	13.15

Performance after sales charge

Performance (%)	Total return			Average annual return				
	1M	3M	YTD	1Y	3Y	5Y	10Y	SI ¹
Class A (5.5% max. sales charge)	-2.54	1.42	5.02	4.11	19.89	13.13	12.30	-

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 distribution, and changes in principal value.

¹Mandate change of Institutional Class shares is March 31, 2021. The performance information shown for Institutional Class shares represents the performance of the 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. Prior to March 31, 2021, Impax US Sustainable Economy Fund was known as Pax ESG Beta Quality Fund and the strategy of the Fund differed from its current strategy. Accordingly, performance of the Fund for periods prior to March 31, 2021, may not be representative of the performance the Fund would have achieved had the Fund been following its current strategy. As of 05/01/2025 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, Investors Class, and Class A shares are 0.62%, 0.87% and 0.87%, 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 9.87% (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 12.62% (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%.

Impax US Sustainable Economy Fund

Quarterly Commentary | All data as of 09/30/2025

Contributors

- Intel (Information Technology, Semiconductors) rallied strongly in September as the company announced a partnership with Nvidia on integrating Intel's x86 central processing units (CPUs) with Nvidia graphics processing units (GPUs) in AI server systems. Investors cheered the multi-billion-dollar investments from Softbank and the US government. The stock is in an attractive industry from a secular growth perspective and exhibits strong corporate resilience, according to the team's analysis, primarily through its management of environmental and social risks.
- Oracle (Information Technology, Systems Software) performed strongly on the continued follow-through following strong quarterly results. Oracle's fast-growing cloud business has a large backlog after signing multi-billion dollar deals with the likes of OpenAI, xAI, Meta, Nvidia and AMD. The company has seen an almost four-fold increase in its order backlog in the past 12 months. Systems software offers several attractive secular growth tailwinds in areas like Education, Enhancing Skills & Innovation, Digital Infrastructure and Resource Efficiency.
- Broadcom (Information Technology, Semiconductors) performed well in the period, driven by record earnings and surging demand for its AI semiconductor solutions. Investor confidence was boosted by Broadcom's leadership in custom AI accelerators and its successful integration of VMware. Bullish forward guidance and the company's ability to outpace analyst expectations in the recent past helped sustain positive momentum throughout the quarter. The stock is owned primarily for its exposure to themes such as Resource Efficiency, Digital Infrastructure opportunities and Meeting Basic Needs given chips are the backbone to a variety of every day essential activities.

Detractors

- Alphabet (Communication Services, Interactive Media & Services), an underweight in the portfolio, marked its strongest quarterly gain in nearly two decades, driven by a mix of AI related services and innovation, strong financial results, and regulatory relief. The company delivered mid-teens revenue growth in the quarter, with cloud growth and significant backlogs demonstrating continued demand for cloud services. The stock also benefitted from the better-than-expected regulatory relief as the courts rejected the harshest remedies laid out by the US Department of Justice.
- Elevance Health (Health Care, Managed Health Care) has a high Corporate Resilience Score and is aligned to the Health Access and Innovation theme. The stock was weaker after the company guided full year earnings estimates down over 10% as a result of increased costs in the Medicaid and Affordable Care Act plan channels.
- Progressive Corporation (Financials, Property & Casualty Insurance) has a high Corporate Resilience Score and has a role to play in calculating the genuine cost of climate change and diversifying climate risk, as well as providing access to affordable insurance. Despite strong earnings growth the company suffered from changing sentiment with analysts showing concern around policy growth, rising competition and margin compression in auto insurance.

GICS sector attribution[#]

- Equity performance was concentrated, with leadership coming from sectors such as Information Technology, Communication Services and Consumer Discretionary. The Information Technology sector continues to outperform as semiconductor and cloud infrastructure companies capitalized on ongoing advances in AI. Consumer Discretionary performance was driven by auto-related stocks, as investors digest the changing tariff environment that drove weakness in the first half of the year. Communication Services was buoyed by Alphabet whose market capitalization breached US\$3tn after the favorable conclusion of a landmark anti-trust case. Health Care's performance was mixed: while biotechnology sub-sectors improved, managed care operators faced headwinds related to regulatory developments and medtech wrestles with the uncertainty that potential tariffs could pose. Defensive sectors like Consumer Staples and Utilities lagged due to the prevailing more risk-on market profile, while the Energy sector started weakly but rebounded later in the quarter amid rising oil prices.
- The portfolio's sector positioning was positive in the quarter, overall, with the underweight to Consumer Staples, the worst performing sector, adding the most value, followed by the overweight to Information Technology which continues to run. The underweight to Communication Services, which benefited from the news around Alphabet, and the overweight allocation to Health Care were the key detractors for the portfolio.

Sustainability tools

- Impax Sustainability Lens
- The Lens is used to align the portfolio's industry exposure to the tailwinds associated with the transition to a more sustainable economy by ranking sub-industries based on the exposure to themes, like enhancing productivity, meeting basic needs, and addressing climate change and pollution. The portfolio's exposure to the Impax Sustainability Lens contributed positively during the period, as the overweight to stocks in higher opportunity sub-industries was additive. The lack of holdings in Soft Drinks, Oil & Gas exploration, and Tobacco were particularly additive as those industries saw negative returns in the period.
- Corporate Resilience Analysis
- The team's research has found that companies that are less resilient exhibit more share price volatility than those with greater resilience over the long term. The team introduced an enhanced score during the portfolio rebalance in June. This new scoring system replaces the ESG scores that had been used historically in portfolio construction. The enhancement which benefits from Impax's unique perspective at intersection of the Sustainability Center expertise and quantitative insights, uses factors from proprietary and well-established third-party data providers to rank stocks based on an aggregate view of how ESG risks impact corporate resilience. The portfolio is overweight stocks that score higher on this measure and avoids stocks that score poorly. In the third quarter, the scoring system was modestly additive to performance with the highest scores outperforming those with the lowest scores in the Russell 1000. The benefits of being underweight stocks with the worst scores was muted by the underweight allocation to stocks with average scores.

Definition

[#]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.

Impax US Sustainable Economy Fund

Quarterly Commentary | All data as of 09/30/2025

Fund overview

Impax US Sustainable Economy Fund is a systematic strategy investing in US large cap companies we believe are positioned to benefit from the transition to a more sustainable economy..

Portfolio managers

Scott LaBreche, Christine Cappabianca

CFA® is a trademark owned by CFA Institute.

Portfolio characteristics

As of 09/30/2025

Market cap (weighted average)^f

Fund	Benchmark
US\$1232BN	US\$1251BN

Forward price earnings[~]

Fund	Benchmark
20.2x	22.2x

ROE^o

Fund	Benchmark
29.3%	23.6%

Beta[∞]

Fund	Benchmark
0.96	-

Number of securities

Fund	Benchmark
130	1,011

Definitions

- ^f Weighted Average is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average.
- [~] Forward Price-Earnings Ratio or P/E FY1 ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings over the next 12 months.
- ^o Return on Equity: The amount of net income returned as a percentage of shareholders' equity. Return on equity measures a corporations' profitability by revealing how much profit a company generates with the money shareholders have invested.
- [∞] The Ex-Ante Beta is calculated using a multi-factor risk model. Beta explains common variations in stock returns due to different stock sensitivities to the market relative to its underlying benchmark for the current period, not historical. A beta for a benchmark is 1.00: A beta greater than 1.00 indicates above average volatility and risk.

Performance attribution as of 09/30/2025

Sector: Average active weights (%)

Communication Services	-4.95
Consumer Discretionary	-2.85
Consumer Staples	-3.36
Energy	-2.99
Financials	2.14
Health Care	4.38
Industrials	1.88
Information Technology	4.99
Materials	-0.06
Real Estate	0.58
Utilities	-0.38
Cash	0.63

Total relative contribution (%)

Communication Services	0.17
Consumer Discretionary	0.04
Consumer Staples	0.41
Energy	0.07
Financials	-0.39
Health Care	-0.45
Industrials	-0.68
Information Technology	0.58
Materials	-0.15
Real Estate	0.04
Utilities	-0.09
Cash	-0.05
Total	-0.48

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 distribution, and changes in principal value.



Impax US Sustainable Economy Fund

Quarterly Commentary | All data as of 09/30/2025

Top 10 holdings as of 09/30/2025 Holdings subject to change.

Stocks	Weighting (%)
NVIDIA CORP	8.8%
MICROSOFT CORP	6.3%
APPLE INC	5.6%
BROADCOM INC	3.9%
AMAZON.COM INC	3.0%
VISA INC-CLASS A SHARES	2.2%
MASTERCARD INC - A	2.2%
ORACLE CORP	2.2%
JOHNSON & JOHNSON	2.1%
ELI LILLY & CO	2.1%

Definitions and disclosures

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 US stocks.

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.

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 (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.

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.

You should always consider Impax Funds' 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 the prospectus carefully before investing.

Impax Asset Management makes its investment and related decisions pursuant to its independently determined policies and practices that seek to serve the risk management objectives and interests of its investors. Any and all engagement by Impax Asset Management with issuers and other market participants on sustainability issues are pursuant to, and consistent with, those independently determined policies and practices.

Impax Asset Management LLC is investment adviser to Impax Funds. Impax Funds are distributed by Foreside Financial Services, LLC. Foreside Financial Services LLC is not affiliated with Impax Asset Management LLC.

Impax is a trademark of Impax Asset Management Group Plc. Impax is a registered trademark in the UK, EU, US, Hong Kong, Japan, Canada and Australia. © Impax Asset Management LLC, Impax Asset Management Limited and/or Impax Asset Management (Ireland) Limited. All rights reserved.

IMPAX Asset Management

Impax Asset Management

30 Penhallow Street, Suite 100

Portsmouth, NH 03801

800.372.782

impaxfunds@impaxam.com

www.impaxam.com