

## PEAR TREE ESSEX ENVIRONMENTAL OPPORTUNITIES FUND

**FOR THE QUARTER ENDED MARCH 31, 2024**, the Pear Tree Essex Environmental Opportunities Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the MSCI World Index (the "Index"). The Fund achieved a return of (1.47%) at net asset value compared to 9.01% for the Index.<sup>1</sup>

### Market Conditions and Investment Strategies

Fund performance was hindered early in the quarter as market sentiment continued to favor large market capitalization stocks, primarily the Information Technology sector. Investors remained risk averse in our opinion and this will continue until investors observe the Federal Reserve initiating lower interest rates. Fund performance improved during the remainder of the quarter, relative to the Index, driven by a generally favorable fourth quarter earnings season for the Fund's holdings.

### Portfolio Changes

Fund positions were sold where declining fundamentals were anticipated, such as Aptiv, designer of electric vehicle systems, and Bloom Energy, whose profitability we believe is at risk. Trimble was purchased, which delivers technology used in agriculture, construction and surveying, with the precision agriculture business the fastest growing segment, enhancing farmer returns on investment and reducing inputs as well as harmful nutrient runoff using precise fertilizer applications. Watts Water Technologies was sold based on a high valuation, and Xylem was purchased, the diversified water solutions company, based on what we believe will be higher sales to commercial and municipal channels. Later in the quarter we initiated a small position of the electric vehicle manufacturer Rivian. While the electric vehicle industry is experiencing some growth challenges currently, we believe the trend is intact longer term and Rivian has the potential to be differentiated with strong product offerings. MYR Group was purchased, given our high conviction for increased spending to shore up and modernize the electrical grid. MYR Group is well positioned, we believe, as a market leader in electrical construction services.

### Outlook

One of the Fund's themes in which we have high conviction is companies enabling a more efficient electrical grid in the Fund's power technology theme. The companies enabling electricity delivery and grid modernization have done well over the past several years, but there is a step change happening now. The demand drivers such as onshoring industry, and the rise of solar power are rapidly increasing the need for an enhanced grid, and this trend we expect will accelerate. The Fund has extensive exposure to our power technology theme, and while these companies drove performance for the first quarter of 2024, we believe we are still in early innings. There are two primary drivers in place that are leading to the step change in spending of our electrical grid, and we believe they are multi-faceted. While data center electricity needs have increased marginal demand the past few years, artificial intelligence will compound it by over 60% in the next several years. Boston Consulting Group estimates that data centers will soon use as much power as 40 million homes – more than residential demand in California. The second driver is onshoring: the new mantra, echoing from shore to shore in bipartisan fashion is build it here in America. According to Fund power technology holding Primoris Services, almost 70% of US manufacturers surveyed have begun reshoring efforts in the past year. This trend has been catalyzed by the Inflation Reduction (IRA) and Chips Acts, which incentivize US-based manufacturing with state and local tax incentives. While AI is an exciting technology that will transform our economy, it is not feasible without electricity, and is just one of the many catalysts in the power technology theme. ❖

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<sup>1</sup>The Fund is the successor to the investment performance of the Essex Environmental Opportunities Fund ("Predecessor Fund") as a result of the reorganization of the Predecessor Fund into the Environmental Opportunities Fund on September 1, 2021. Performance information shown prior to the close of business on August 31, 2021 is that of the Predecessor Fund.

## TOTAL EXPENSE RATIOS\*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.58%	1.24%
Institutional Shares	1.33%	0.99%
R6 Shares	1.18%	0.95%

\* Per Prospectus dated November 7, 2023, as amended. Fee waivers and expense reimbursements may not be amended, rescinded or terminated before July 31, 2024 without the consent of the Fund's Trustees.

## A WORD ABOUT RISK

Investing in foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market or economic developments and can perform differently than the U.S. market. The fund's exclusion of investments in companies other than clean tech may adversely affect the fund's relative performance at times when those other types of investments are performing well.

### Investment Products

- Not FDIC insured
- May lose value
- No bank guarantee

## PEAR TREE ESSEX ENVIRONMENTAL OPPORTUNITIES FUND PORTFOLIO HIGHLIGHTS

as of March 31, 2024 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

### Top Ten Holdings

Percentage of total net assets	
43.9%	
6.3%	NextEra Energy, Inc.
4.5%	Primoris Services Corporation
4.4%	Badger Meter, Inc.
4.4%	Hubbell Incorporated
4.3%	Kion Group AG
4.2%	Mueller Water Products, Inc.
4.1%	Landis+Gyr Group AG
4.0%	Kingspan Group plc
4.0%	Valmont Industries, Inc.
3.7%	Keyence Corporation

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 03/31/2024:

3.0%	Trimble
2.6%	Xylem
2.2%	MYR Group
0.8%	Rivian

## PERFORMANCE

as of March 31, 2024

### Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					Inception Date
	Q1	Calendar YTD	1-Year	3-Year	5-Year	10-Year	Since Inception	
Ordinary Shares	(1.47%)	(1.47%)	(8.29%)	(9.69%)	6.64%	—	4.98%	09/01/2017
Institutional Shares	(1.37%)	(1.37%)	(8.03%)	(9.45%)	6.91%	—	5.24%	09/01/2017
R6 Shares	(1.33%)	(1.33%)	(7.93%)	—	—	—	(14.16%)	09/01/2021
MSCI World <sup>1</sup>	9.01%	9.01%	25.72%	9.13%	12.63%	—	11.26%	—

<sup>1</sup>The MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,465 constituents as of 03/31/2024, the index covers approximately 85% of the free float-adjusted market capitalization in each country. You cannot invest directly in an index. For comparative performance purposes, the beginning date of the Index is 09/01/2017. The MSCI World Index is maintained by MSCI Inc.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, visit the Fund's website at [www.peartreefunds.com](http://www.peartreefunds.com).