

Item 1. Cover Page



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Form ADV Part 2A Brochure

This brochure provides information about the qualifications and business practices of Impax Asset Management LLC (formerly Pax World Management LLC) (the “Adviser” or “we”). If you have any questions about the contents of this brochure, please contact the Adviser’s Chief Compliance Officer, John Boese, at 603-431-8022. The information in this brochure has not been approved or verified by the Securities and Exchange Commission (the “SEC”) or any state securities authority.

Impax Asset Management LLC is a registered investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training. Additional information about Impax Asset Management LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Since the last update to Form ADV Part 2A Brochure in December 2019 we note the following changes:

1. We have merged our affiliated investment adviser, Pax Ellevest Management LLC, into Impax Asset Management LLC.
2. We have taken steps to conform our brochure, where appropriate, with the brochure of our affiliates, Impax Asset Management (AIFM) Limited and Impax Asset Management Limited.
3. We have omitted some detail regarding specifics about each fund client, reframed certain language to address points as pertinent to the Adviser (e.g., the investment strategies in Item 8) and made routine updates to information throughout the brochure.

Impax Asset Management LLC

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Item 4. Advisory Business

A. Description of the Adviser

Impax Asset Management LLC (the “Adviser”) began operations in 1971. The Adviser is 86.7% owned by Impax Asset Management Group plc (“Impax”), which is listed on the AIM market of the London Stock Exchange.

As of September 30, 2020, the Adviser had discretionary Regulatory Assets under Management of \$5,332,933,707 million.

B. Types of Advisory Services

The Adviser is a specialist asset manager focused on investing in companies and assets that are well positioned to benefit from the shift to a more sustainable global economy. We believe that capital markets will be shaped profoundly by global sustainability challenges, from climate change to gender equality, and these trends will drive growth for well-positioned companies and create risks for those unable or unwilling to adapt. The Adviser offers a well-rounded suite of investment solutions to registered investment companies and separately managed accounts of other investment advisers.

Funds

The Adviser manages registered investment company (mutual fund) clients known as the Pax World Funds (each a “Fund” and, collectively, the “Funds”). The Adviser provides investment management services in accordance with the applicable investment guidelines and restrictions regarding each Fund as set forth in the applicable Prospectus and Statement of Additional Information, including restrictions on investing in certain companies or securities. The Adviser manages each Fund in accordance with its investment guidelines and restrictions and does not tailor its advice to the individualized needs of any particular Fund shareholder or investor. An investment in a Fund does not create an advisory relationship between the Fund shareholder or investor and the Adviser.

Separately Managed Accounts (“SMAs”)

The Adviser provides ongoing investment services to SMAs for institutional clients (e.g., other investment advisers) based on the SMA client’s investment goals, objectives, time horizon and risk tolerance. Institutional clients retain the Adviser to manage their SMAs pursuant to a negotiated investment management agreement between the Adviser and the SMA client. As part of its institutional SMA business, the Adviser tailors its investment strategies to meet individual client investment needs and risk profiles.

Item 5. Fees and Compensation

Fund Clients

Regarding the Funds, each Prospectus and Statement of Additional Information sets forth the applicable fees and expenses.

For the sub-advised Funds, a portion of the advisory fee received by the Adviser is paid to the applicable Sub-Adviser(s).

SMA Clients

Fees and expenses are negotiated between the Adviser and its SMA clients and set forth in the applicable investment management agreement based on the strategy and services provided. If management fees are charged in advance and an SMA client terminates the investment management agreement before all such fees have been earned, the prepaid management fees would be returned on a prorated basis, minus reasonable expenses.

Item 12 below further describes the factors that the Adviser considers in selecting broker-dealers for client transactions, determining the reasonableness of their compensation and eligible research costs.

Item 6. Performance-Based Fees and Side-by-Side Management

Performance-based Fees

The Adviser does not charge performance-based fees.

Side-By-Side Management

Although the Adviser does not charge performance-based fees, different clients may have different fee structures and employees may hold interests in the Funds, each of which presents a conflict of interest. The Adviser has adopted investment allocation policies and procedures to mitigate these conflicts if/as applicable and other potential inherent conflicts associated with managing accounts for multiple clients. The policies and procedures are designed to ensure that the Adviser's side-by-side management of different client accounts is at all times consistent with the Adviser's fiduciary responsibilities to its Clients. When the Adviser has Clients with overlapping investment mandates and objectives, it will generally allocate investment opportunities pro rata among those Clients. When the Adviser does not allocate investment opportunities pro rata among Clients with overlapping mandates, it documents its reasoning. See Item 12 below for additional information regarding the allocation of investment opportunities.

Client accounts are regularly reviewed by the Adviser's Compliance department to help ensure: (i) the investment allocation policies and procedures are adhered to, (ii) buy and sell opportunities are allocated fairly among client accounts over time and (iii) no client is even inadvertently systematically disadvantaged.

Item 7. Types of Clients

The Adviser provides portfolio management services to the Funds and institutional owners of SMAs (each Fund and SMA a "Client" and, together, the "Clients").

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis

On behalf of its Clients, the Adviser pursues a sustainable investing approach, focusing on the risks and opportunities arising from the transition to a more sustainable global economy. We believe that capital markets will be shaped profoundly by global sustainability challenges, from climate change to gender equality, and these trends will drive growth for well-positioned companies and create risks for those unable or unwilling to adapt.

We identify companies for our investment portfolios through fundamental analysis which incorporates long-term risks, including environmental, social and governance (“ESG”) factors. We believe this process enhances investment decisions and helps us achieve our goal of constructing investment portfolios made up of better long-term investments.

Each of the Funds seeks to avoid investing in issuers that are involved in the manufacture or sale of weapons or the manufacture of tobacco products or that engage in business practices that the Adviser determines to be sub-standard from an ESG or sustainability perspective in relation to their industry, sector, asset class or universe peers. This determination is made by the Adviser through its implementation of its fundamental analysis, which includes the Adviser’s approach to and experience in sustainable investing. Overall, our objective is to construct investment portfolios with stronger sustainability or ESG profiles than their benchmark indices, so that our shareholders may benefit from what we believe will be the stronger risk-adjusted performance of these portfolios over the long-term. Depending on the investment guidelines of a particular Client, the asset class or the types of security involved, we may give less relative weight to certain sustainability or ESG criteria, apply slightly different criteria or apply such criteria differently.

Also, the Adviser provides ongoing investment services to the SMAs of various institutional clients based on investment goals, objectives, time horizon and risk tolerance of each such Client. The Adviser enters into investment agreements with such Clients that include the investment guidelines regarding the account.

The Adviser seeks to produce competitive returns for Clients. By integrating ESG criteria—what we call “sustainability” criteria—into our investment approach, we seek to achieve each Client’s investment objective and to accelerate the transition to a more sustainable global economy. Clients and investors should understand that “sustainable investing” refers to the full integration of ESG criteria into our investment approach; it does not mean that our Clients will necessarily perform in the future as they have in the past.

The Adviser may invest on behalf of its Clients in exchange traded funds (“ETFs”), credit default swaps on indices, swap contracts or other instruments for cash management or hedging purposes, or to gain temporary market exposures, that have not been evaluated under the Adviser’s sustainability or ESG criteria.

Once a security is purchased by any Client, we will endeavor to review that company’s performance on a periodic basis to determine whether it continues to meet the Client’s sustainability criteria. If it is determined after the initial purchase by a Client that a company no longer meets the Adviser’s sustainability or ESG standards (due to acquisition, merger or other developments), the Adviser will seek to sell the securities of that company from the Client’s portfolio as soon thereafter as practicable taking into consideration (i) any gain or loss which may be realized from such elimination, (ii) the tax implications of such elimination, and (iii) market conditions, including the availability of a purchaser. This requirement may cause a Client to dispose of a security at a time when it may be disadvantageous to do so. Given this, there can be no assurance that the Client’s investment objectives will be achieved.

B. Sustainability/ESG (Environmental, Social and Governance) Criteria

The following criteria apply to certain of the strategies. In seeking to invest in companies that meet the Adviser’s sustainability or ESG criteria, the Adviser and, where applicable, sub-advisers ordinarily look at policies and practices in the following areas:

- Environment
- Workplace Practices and Human Rights

- Corporate Governance
- Community Impact
- Product Safety and Integrity

The Adviser's environmental criteria include such issues as emissions (air, water and soil), pollution prevention, recycling and waste reduction, energy and resource efficiency, use of clean and renewable energy, climate change initiatives and other policies and practices focused on promoting sustainable development.

The Adviser's workplace criteria include such issues as diversity, equal opportunity based on gender, race, religion, age, disability or sexual orientation; workplace health and safety; labor-management relations; vendor standards and human rights, including indigenous peoples' rights.

The Adviser's corporate governance criteria include such issues as board independence and diversity, executive compensation, auditor independence, shareholder rights, disclosure, conflict of interest, bribery and corruption, transparency, disclosure of political contributions, business ethics and legal and regulatory compliance.

The Adviser's community criteria include companies' commitment to and relationships with the communities in which they do business (including their commitment to sustainable development abroad), their philanthropic activities and, in the case of financial institutions, responsible lending practices.

The Adviser's product integrity criteria include analyses of such issues as product health and safety (including public health issues associated with product abuse and addiction), animal welfare, consumer issues and emerging technology issues.

The issues highlighted above are illustrative and do not necessarily reflect the full range of sustainability or ESG criteria that may be applied in analyzing a particular security for investment. The availability of information about a company, issues associated with a particular industry, changing social conditions or other circumstances may affect the manner in which the sustainability criteria are applied in a particular situation.

Companies in which our Clients invest do not necessarily meet exemplary standards in all aspects of sustainability or ESG performance; nor, we recognize, is any company perfect when it comes to corporate responsibility or sustainability. We do believe, however, that well-managed companies that maintain good relations with employees, consumers, communities and the natural environment, and that strive to improve in those areas, will in the long run better serve investors as well.

When the Adviser is required to make an investment decision for a Client on an expedited basis, the sustainability analysis of the issuer may be based on a more limited set of facts than would be considered sufficient in the ordinary course. When a security is purchased under such circumstances, the Adviser will endeavor to complete its full sustainability analysis within a reasonable period following such purchase.

C. Investment Strategies

Large Cap Strategy

The Large Cap Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments. The Large Cap Strategy is not constrained by any particular investment style, and may therefore invest in "growth" stocks, "value" stocks or a combination of both. Additionally, in

accordance with this strategy the Adviser may buy stocks in any sector or industry and may invest its assets in the securities of non-U.S. issuers, including American Depositary Receipts (“ADRs”) and in emerging markets. The Adviser may invest in derivatives, including but not limited to repurchase agreements, foreign currency exchange contracts, options and futures contracts, for hedging and for investment purposes. It is possible that, due to its investment strategies, the portfolio turnover rate of Clients using the Large Cap Strategy may be significant.

Each of the principal risks set out below is described under “Description of Principal Risks” below.

- Equity Securities Risk
- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Focused Portfolio Risk
- Management Risk
- Growth Securities Risk
- Value Securities Risk
- Medium-Sized Capitalization Company Risk
- Turnover Risk
- Emerging Markets Risk
- Information Technology Sector Risk

Small Cap Strategy

The Small Cap Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments.

Under normal market conditions, the Small Cap Strategy invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities (such as common stocks, securities convertible into common or preferred stocks and warrants) of companies that, when purchased, have capitalizations within the range of the Russell 2000 Index as measured by market capitalization. As of 11/30/20, the Russell 2000 Index included companies with market capitalizations from approximately \$33 million to \$12 billion.

The Small Cap Strategy may invest in securities of non-U.S. issuers, including American Depositary Receipts (“ADRs”) and may utilize derivatives for hedging and for investment purposes. It is possible that, due to its investment strategies, the portfolio turnover rate of the Small Cap Strategy may be significant.

Each of the principal risks set out below is described under “Description of Principal Risks” below.

- Market Risk
- Equity Securities Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Turnover Risk
- Growth Securities Risk
- Small- and Medium-Sized Capitalization Company Risk
- Value Securities Risk
- Financial Services Sector Risk

ESG Beta Quality Strategy

“ESG Beta” is a term indicating that the Strategy follows a “smart beta” or factor strategy incorporating ESG along with financial factors in its investment approach. In this type of investing, a portfolio of securities is overweighted toward certain factors in an effort to enhance return and/or reduce risk.

Under normal market conditions, the Strategy invests primarily in large-capitalization domestic equity securities that the Adviser believes have strong ESG profiles and that exhibit higher “quality” characteristics and reasonable valuations. Specifically, the strategy favors securities with stronger ESG scores (as determined by the Adviser), higher profitability, higher earnings quality (based on a quantitative assessment of operating fundamentals and accruals), lower risk (i.e., the historic volatility of a security relative to the overall market) and lower valuations relative to the Russell 1000 Index.

The Adviser utilizes a quantitative process, optimizing ESG, quality factors and valuation factors relative to benchmark constraints.

The Strategy may utilize derivatives for hedging and for investment purposes.

Each of the principal risks set out below is described under “Description of Principal Risks” below.

- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Growth Securities Risk
- Equity Securities Risk
- Value Securities Risk
- Quantitative Models Risk
- Information Technology Sector Risk
- Emerging Markets Risk

ESG Beta Dividend Strategy

“ESG Beta” is a term indicating that the Strategy follows a “smart beta” or factor strategy incorporating ESG along with financial factors in its investment approach. In this type of investing, a portfolio of securities is overweighted toward certain factors in an effort to enhance return and/or reduce risk.

Under normal market conditions, the ESG Beta Dividend Strategy invests primarily in equity securities that pay dividends. The portfolio strategy favors large-capitalization domestic equity securities with stronger ESG scores (as determined by the Adviser), higher dividends and underlying fundamentals to support those dividends, and higher quality investment fundamentals (based on a quantitative assessment of operating fundamentals and accruals) relative to the Russell 1000 Index.

The Adviser utilizes a quantitative process, optimizing ESG, dividend yield and earnings quality factors relative to benchmark constraints.

The Strategy may invest a portion of its assets in securities of non-U.S. issuers, including emerging market investments and American Depositary Receipts (“ADRs”).

The Strategy may utilize derivatives for hedging and for investment purposes.

Each of the principal risks set out below is described under “Description of Principal Risks” below:

- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Turnover Risk
- Growth Securities Risk
- Value Securities Risk
- Quantitative Models Risk
- Management Risk
- Equity Securities Risk
- Emerging Markets Risk

International Index Strategy

The International Index Strategy employs a “passive management”—or indexing—investment approach designed to track the performance of the MSCI EAFE ESG Leaders Index, which is created and maintained by MSCI, Inc. The MSCI EAFE ESG Leaders Index consists of equity securities of issuers organized or operating in developed market countries around the world excluding the United States and Canada that have high sustainability or ESG ratings relative to their sector and industry group peers, as rated by MSCI ESG Research annually. As of 11/30/20, the MSCI EAFE ESG Index included companies with market capitalization between approximately \$2.0 billion and \$282 billion.

Each of the principal risks set out below is described under “Description of Principal Risks” below.

- Market Risk
- Equity Securities Risk
- Investment Approach Risk
- Concentration Risk
- Non-U.S. Securities Risk
- Asian/Pacific Investment Risk
- European Investment Risk
- Currency Risk
- Issuer Risk
- Non-Correlation Risk
- Management Risk
- Small- and Medium-Sized Company Risk
- Financial Services Sector Risk

Global Women’s Leadership Strategy

The Global Women’s Leadership Strategy employs a factor-based investment approach intended to closely correspond to or exceed the performance of the Women’s Index. The Strategy seeks to maintain risk characteristics that are generally similar to those of the Women’s Index, while overweighting gender leadership factors, rather than adhering to the market capitalization weights used by the Women’s Index. Under normal circumstances, the Global Women’s Strategy invests more than 80% of its total assets in the component securities of the Women’s Index and in American Depositary Receipts, Global Depositary Receipts and Euro Depositary Receipts representing the component securities of the Women’s Index, including at least 40% of its net assets (unless market conditions are not deemed favorable, in which case the Global Women’s Strategy would normally invest at

least 30% of its assets) in securities of companies organized or located outside the United States or doing a substantial amount of business outside the United States.

Because the Global Women's Strategy will normally adjust portfolio holdings in response to changes in the component securities of the Women's Index, the Global Women's Strategy may involve high portfolio turnover.

The Global Women's Strategy generally invests in all of the components included in the Women's Index, but may use a representative sampling strategy, or an optimized or enhanced strategy, to achieve its investment objective, weighting companies with more favorable characteristics with respect to women's leadership (e.g., number of women in executive positions or on the board of directors) more heavily than the Women's Index, which uses market weights exclusively. As a result, the Global Women's Strategy may not always hold the same securities in the same proportions or weightings as the Women's Index.

The Global Women's Strategy also may invest up to 20% of its total assets in certain futures, options and swap contracts, cash and cash equivalents, and stocks not included in the Women's Index, but which the Adviser believes will help the Global Women's Strategy to exceed the price and yield performance of the Women's Index.

The Women's Index is a customized market-weighted index consisting of equity securities of issuers organized or operating in countries around the world that demonstrate a commitment to advancing and empowering women through gender diversity on their boards, in management and through other policies and programs, and an understanding of the potential business advantages associated with greater gender diversity, as rated by the Gender Analytics team of the Adviser, with final approval by the Adviser's Women's Index Committee.

The Global Women's Index Strategy's investments in securities of non-U.S. issuers may include investments in emerging markets and generally will be diversified across multiple countries or geographic regions.

Each of the principal risks set out below is described under "Description of Principal Risks" below:

- Market Risk
- Management Risk
- Equity Securities Risk
- Investment Approach Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Turnover Risk
- Growth Securities Risk
- Small- and Medium-Sized Company Risk
- Value Securities Risk
- Concentration Risk
- Emerging Markets Risk
- Currency Risk
- Issuer Risk
- Non-Correlation Risk

Global Environmental Markets Strategy

The Global Environmental Markets Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments.

Under normal market conditions, the Global Environmental Markets Strategy invests primarily in companies whose businesses and technologies focus on environmental markets, including alternative energy and energy efficiency; water infrastructure technologies and pollution control; environmental support services and waste management technologies; and sustainable food, agriculture and forestry. Under normal market conditions, the Global Environmental Markets Strategy will invest primarily in equity securities (such as common stocks, preferred stocks and securities convertible into common and preferred stocks) of companies located around the world, including at least substantial portion of its net assets in securities of non-U.S. issuers, including those located in emerging markets.

The Global Environmental Markets Strategy may utilize derivatives for hedging and for investment purposes.

Each of the principal risks set out below is described under “Description of Principal Risks” below.

- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Turnover Risk
- Growth Securities Risk
- Small- and Medium-Sized Capitalization Company Risk
- Value Securities Risk
- Emerging Markets Risk

Global Opportunities Strategy

The Global Opportunities Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments.

Under normal market conditions, the Global Opportunities Strategy invests primarily in companies that its Adviser (or Sub-Adviser) believes will benefit from the transition to a more sustainable global economy – the shift away from a depletive economy to one that preserves ecological and societal balance for the benefit of future generations. The Strategy seeks to invest in companies with durable business models that are well positioned to benefit from or avoid the risks associated with this transition. Under normal market conditions, the Global Opportunities Strategy will invest primarily in equity securities (such as common stocks, preferred stocks and securities convertible into common or preferred stocks) of companies located around the world, including at least 40% of its net assets in securities of companies organized or located outside the United States or doing a substantial amount of business outside the United States, including those located in emerging markets.

The Global Opportunities Strategy may utilize derivatives for hedging and for investment purposes.

It is possible that, due to its investment strategies, the portfolio turnover rate of the Strategy may be significant.

Each of the principal risks set out below is described under “Description of Principal Risks” below:

- Derivatives Risk
- Emerging Markets Risk
- Equity Securities Risk
- Growth Securities Risk
- Market Risk
- Non-U.S. Securities Risk
- Small- and Medium-Sized Capitalization Company Risk
- Turnover Risk
- Value Securities Risk
- Focused Portfolio Risk

Core Bond Strategy

The Core Bond Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments.

Under normal market conditions, the Core Bond Strategy invests primarily in bonds, which include debt obligations such as mortgage-related securities, securities issued by the United States government or its agencies and instrumentalities, municipal bonds, corporate bonds and high-impact bonds (which provide financing to support solutions to global sustainability challenges) across the spectrum of issuers, each of which is, at the time of purchase, rated at least investment grade (rated BBB- or higher by Standard & Poor’s Ratings Group or Baa or higher by Moody’s Investors Service) or unrated and determined by the Adviser to be of comparable quality. The Strategy also may have a small allocation of higher-rated high yield bonds, also commonly known as “junk bonds” (rated B or higher by Standard & Poor’s Ratings Group or Moody’s Investors Service). Although the Strategy is not constrained with respect to duration, it seeks to maintain an average duration within .50 years of the duration of the Bloomberg Barclays U.S. Aggregate Bond Index, which had a duration of 0-32 years as of 11/30/2020.

The Core Bond Strategy may invest a substantial portion of its assets in securities of non-U.S. issuers, including emerging market investments.

The Core Bond Strategy may utilize derivatives, including but not limited to repurchase agreements, foreign currency exchange contracts, options and futures contracts, for hedging and for investment purposes.

Each of the principal risks set out below is described under “Description of Principal Risks” below:

- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Interest Rate Risk
- Liquidity Risk
- Credit Risk
- Management Risk
- U.S. Government Securities Risk
- Mortgage Risk

- Reinvestment Risk
- Emerging Markets Risk
- High Yield Securities Risk
- Turnover Risk

High Yield Bond Strategy

The High Yield Bond Strategy follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous ESG analysis in order to identify investments.

Under normal market conditions, the High Yield Bond Strategy invests primarily in high-yield, fixed income securities (such as bonds, notes or debentures) that are rated below BBB- by Standard & Poor's Ratings Group or below Baa3 by Moody's Investors Service, similarly rated by another major rating service, or unrated and determined by the High Yield Bond Strategy's the Adviser to be of comparable quality. These fixed income securities are commonly referred to as "junk bonds." The High Yield Bond Strategy may, on a short-term basis pending longer term investment, invest in ETFs that invest primarily in high-yield securities. The High Yield Bond Strategy treats these short-term investments as high-yield, fixed income securities in terms of allocating investments in the Strategy.

The High Yield Bond Strategy may utilize derivatives for hedging and for investment purposes, and may invest in credit default swaps on indices of high-yield securities on a short-term basis (generally less than 90 days) pending longer term investment.

Each of the principal risks set out below is described under "Description of Principal Risks" below.

- Market Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Interest Rate Risk
- Liquidity Risk
- Credit Risk
- Reinvestment Risk
- Small- and Medium-Sized Capitalization Company Risk
- High Yield Securities Risk.
- Emerging Markets Risk
- Turnover Risk

Sustainable Allocation Strategy

The Sustainable Allocation Strategy follows a multi-asset ESG strategy that invests in underlying funds that integrate ESG analysis into security selection and portfolio construction.

The Sustainable Allocation uses a team approach to allocate among multiple underlying funds managed by the Adviser ("Underlying Funds") in order to seek to achieve its investment objectives. The Adviser will allocate the Strategy's assets among Underlying Funds in its sole discretion. Under normal market conditions, the Sustainable Allocation Strategy expects to invest (indirectly through the use of Underlying Funds) approximately 50–75% of its assets in equity securities (such as common stocks, preferred stocks and securities convertible into common or preferred stocks) and 25–50% of its assets in debt securities (including but not limited to debt securities convertible into equity securities).

The Sustainable Allocation Strategy's multi-asset ESG strategy is designed to achieve lower volatility by combining complementary investment approaches. Allocation of assets among Underlying Funds is based on such factors as prudent diversification principles, the Adviser's general market outlooks (both domestic and global), historical performance, valuations and other economic factors.

The Sustainable Allocation Strategy's portfolio managers use both qualitative analysis and quantitative techniques when allocating the Sustainable Allocation Strategy's assets between equity securities and debt securities.

The Sustainable Allocation Strategy may, through Underlying Funds, indirectly invest up to 45% of its assets in securities of non-U.S. issuers, including emerging market investments and American Depositary Receipts ("ADRs"), but may indirectly invest no more than 25% of its assets in securities of non-U.S. issuers other than ADRs.

The Sustainable Allocation Strategy may utilize derivatives for hedging and for investment purposes. The Sustainable Allocation Strategy may also, for cash management purposes, invest in unaffiliated ETFs pending reinvestment of such assets in Underlying Funds

Each of the principal risks set out below is described under "Description of Principal Risks" below.

- Market Risk
- Equity Securities Risk
- Derivatives Risk
- Non-U.S. Securities Risk
- Interest Rate Risk
- Liquidity Risk
- Credit Risk
- Allocation Risk
- U.S. Government Securities Risk
- Mortgage Risk
- Reinvestment Risk
- Growth Securities Risk
- Small- and Medium-Sized Capitalization Company Risk
- Value Securities Risk
- Emerging Markets Securities Risk
- Underlying Funds and ETFs Risk

D. Risk of Loss

- **Loss of Capital Risk:** It should be noted that investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not necessarily indicative of future returns, and the value of investments may rise as well as fall. There is also a risk that investors may lose part or all of their investment. The Adviser believes the professional and disciplined execution of their investment philosophy will generate sustainable investment returns for the Clients. However, the cumulative effect of company specific risk and systemic risk of a domestic and/or global nature clearly imply that no investment is guaranteed. The Clients invest with the full knowledge that loss of principal is a real risk.
- **Pandemic Risk:** The recent outbreak of the novel COVID-19 or "coronavirus" (also known as novel coronavirus or coronavirus disease 2019) pandemic presents unique, rapidly changing and hard to quantify risks. The pandemic has prompted local, state and national governments across the globe to announce "social

distancing” recommendations or orders, “shelter in place” mandates, quarantines, advisories, restrictions or outright prohibitions on travel to and from certain countries (and within countries) and prohibitions on certain business activities (other than “essential business activities,” the definition of which is sometimes ambiguous and varies from jurisdiction to jurisdiction). Such government actions, coupled with the high level of public fear over the spread of the virus and growing concerns about the ability of local health systems to respond to the crisis, have resulted in a sudden and significant decline in global and regional commercial activity. Although there is reason to believe that the COVID-19 outbreak may be contained over a reasonable period of time, there can be no assurance regarding how long it will take to reduce global infection rates and it is possible that, once the virus appears to have been contained and restrictions on social and commercial activities have been relaxed, there may be one or more future outbreaks that may be as serious, or potentially more serious, than the current outbreak. In the meantime, global equity, bond and credit markets have been, and will likely continue to be, significantly adversely affected.

- **Force Majeure:** “Force majeure” refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to the counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19. The investee companies in which the Adviser invests on behalf of its clients may be parties to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or otherwise is a mixed factual and legal one, and investee companies may incur legal costs in disputes with counterparties regarding whether any such event has occurred. If an investee company were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of that company (and possibly the client) may be adversely affected.

E. Description of Principal Strategy-Related Risks

As with all mutual funds and investment accounts, investors may lose money by investing in any strategy. There are other circumstances (including additional risks not listed above or described below) that could cause each Strategy not to achieve its investment objectives.

- **Equity Securities Risk.** The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing the Strategy to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.
- **Market Risk.** Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the Strategy’s investments. To the extent the Strategy takes significant positions in one or more specific sectors, countries or regions, the Strategy will be subject to the risks associated with such sector(s), country(ies) or region(s) to a greater extent than would be a more broadly diversified Strategy.
- **Derivatives Risk.** Derivatives are financial contracts whose values are derived from traditional securities, assets, reference rates or market indices. Derivatives involve

special risks and may result in losses. Derivative strategies often involve leverage, which may exaggerate a loss, potentially causing the Strategy to lose more money than it would have lost had it invested in the underlying security.

The values of derivatives may move in unexpected ways, especially in unusual market conditions, and may result in increased volatility. The use of derivatives also may increase the amount of taxes payable by shareholders. Other risks arise from the Strategy's potential inability to terminate or sell derivative positions. A liquid secondary market may not always exist for the Strategy's derivative positions at times when the Strategy might wish to terminate or sell such positions. Over-the-counter instruments (investments not traded on an exchange) may be illiquid, and transactions in derivatives traded in the over-the-counter market are subject to the risk that the other party will not meet its obligations. The use of derivatives also involves the risk of mispricing or improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying security, asset, reference rate or index. The Strategy may not be able to find a suitable derivative transaction counterparty, and thus may be unable to invest in derivatives altogether.

- *Non-U.S. Securities Risk.* Non-U.S. securities may have less liquidity and more volatile prices than domestic securities, which can make it difficult for the Strategy to sell such securities at desired times or prices. Non-U.S. markets may differ from U.S. markets in material and adverse ways. For example, securities transaction expenses generally are higher, transaction settlement may be slower, recourse in the event of default may be more limited and taxes and currency exchange controls may limit amounts available for distribution to shareholders. Non-U.S. investments are also subject to the effects of local political, social, diplomatic or economic events.
- *Management Risk.* Some of the Strategies are actively managed. The investment techniques and decisions of the investment adviser and the Strategy's portfolio manager(s) may not produce the desired results.
- *Growth Securities Risk.* Growth securities typically trade at higher multiples of current earnings than other securities. Therefore, the values of growth securities may be more sensitive to changes in current or expected earnings than the values of other securities.
- *Value Securities Risk.* The Strategy may invest in companies that may not be expected to experience significant earnings growth, but whose securities the investment adviser believes are selling at a price lower than their true value. Companies that issue value securities may have experienced adverse business developments or may be subject to special risks that have caused their securities to be out of favor. If the investment adviser's assessment of a company's prospects is wrong, or if the market does not recognize the value of the company, the price of its securities may decline or may not approach the value that the investment adviser anticipates.
- *Medium-Sized Capitalization Company Risk.* Securities of medium-sized companies may have less liquidity and more volatile prices than securities of larger companies, which can make it difficult for the Strategy to sell such securities at desired times or prices.
- *Emerging Markets Risk.* Investments in emerging markets are likely to have greater exposure to the risks associated with investments in non-U.S. securities generally. Additionally, emerging market countries generally have less mature economies and less developed securities markets with more limited trading activity, are more heavily dependent on international trade and support, have a higher risk of currency devaluation, and may have more volatile inflation rates or longer periods of high inflation than more developed countries.

- *Small and Medium-Sized Capitalization Company Risk.* Securities of small- and medium-sized companies may have less liquidity and more volatile prices than securities of larger companies, which can make it difficult for the Strategy to sell such securities at desired times or prices.
- *Financial Services Sector Risk.* Companies in the financial services sector are subject to the risk of regulatory change, decreased liquidity in credit markets and unstable interest rates. Such companies may have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that industry. Performance of such companies may be affected by competitive pressures and exposure to investments or agreements that, under certain circumstances, may lead to losses. Companies in the financial services sector are subject to extensive governmental regulation that may limit the amount and types of loans and other financial commitments they can make, and interest rates and fees that they may charge. In addition, profitability of such companies is largely dependent upon the availability and the cost of capital.
- *Quantitative Models Risk.* Aperio uses quantitative analyses and models as part of its investment process, and any imperfections, errors, or limitations in those analyses and models could affect the Strategy's performance. By necessity, these analyses and models make simplifying assumptions that limit their efficacy. Models that appear to explain prior market data can fail to predict future market events. Further, the data used in models may be inaccurate or subjective and may not include the most recent information about a company or a security. The Strategy also runs the risk that IAM's or Aperio's assessment of an investment or its attributes may be wrong or that deficiencies in their internal systems or controls will cause losses for the Strategy or impair Strategy operations.
- *Information Technology Sector Risk.* Prices of technology companies' securities historically have been more volatile than those of many other securities, especially over the short term. Technology companies are subject to significant competitive pressures, such as aggressive pricing of their products or services, new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments, evolving industry standards, changing customer demands and the potential for limited earnings and/or falling profit margins. The failure of a company to adapt to such changes could have a material adverse effect on the company's business, results of operations, and financial condition. Many technology companies have limited operating histories.
- *Investment Approach Risk.* The Strategy does not attempt to outperform its underlying index or take defensive positions in declining markets. Accordingly, the Strategy's performance would likely be adversely affected by a decline in the underlying index.
- *Concentration Risk.* A strategy that concentrates in a single industry or group of industries may be more susceptible to an economic, market, political or regulatory occurrence affecting that specific industry or group of industries. If the underlying index concentrates in an industry or group of industries, the Strategy will concentrate in the same industry or group of industries.
- *Asian/Pacific Investment Risk.* Certain Asia and Pacific region economies have experienced over-extension of credit, currency devaluations and restrictions, high unemployment, high inflation, decreased exports and economic recessions. Asia and Pacific region economies generally are dependent on the economies of Europe and the United States, especially with respect to agricultural products and natural resources. Political and social instability and deteriorating economic conditions may result in significant downturns and increased volatility in many Asia and Pacific region economies. Portions of the Asia and Pacific region have historically been prone to natural disasters such as tsunamis and droughts and the region is economically sensitive to environmental events. Any such event could have a significant adverse effect on Asia and Pacific region economies. The Australian and

New Zealand economies, in particular, are dependent on exports from the agricultural and mining sectors, which make those economies particularly susceptible to fluctuations in the commodities markets. Australian and New Zealand economies are also increasingly dependent on their growing service industries. Economic events in any one country can have a significant economic effect on the entire Asia and Pacific region.

- *European Investment Risk.* The Economic and Monetary Union of the European Union (“EU”) requires compliance with restrictions on inflation rates, deficits, interest rates, debt levels and fiscal and monetary controls, each of which may significantly affect EU member countries, as well as other European countries. Decreasing imports or exports, changes in governmental regulations on trade, changes in the exchange rate of the euro and recessions in EU economies may have a significant adverse effect on the economies of EU members and their trading partners, including non-member European countries. Additionally, eastern European markets remain relatively undeveloped and may be particularly sensitive to political and economic developments.
- *Currency Risk.* The U.S. dollar value of your investment in the Strategy may go down if the value of the local currency of the non-U.S. markets in which the Strategy invests depreciates against the U.S. dollar.
- *Issuer Risk.* The value of a security may fluctuate due to factors affecting only the entity that issued the security.
- *Non-Correlation Risk.* The performance of the Strategy and of the underlying index may vary somewhat for a variety of reasons. For example, the Strategy incurs operating expenses and portfolio transaction costs not incurred by the underlying index. In addition, the Strategy may not be able to be fully invested in the component securities of the underlying index. Any use of sampling techniques may affect the Strategy’s ability to achieve close correlation with the underlying index.
- *Interest Rate Risk.* The value of debt securities tends to decrease when nominal interest rates rise. Longer-duration securities tend to be more sensitive to interest rate changes, and thus more volatile, than shorter-duration securities. A period of rising interest rates may negatively affect the Strategy’s performance. For example, if a debt security has a duration of four years, a 1% increase in interest rates could be expected to result in a 4% decrease in the value of the security.
- *Liquidity Risk.* Liquidity risk is the risk associated with a lack of marketability of investments, which may make it difficult to sell an investment at a desirable time or price. A lack of liquidity may cause the value of an investment to decline. The Strategy may have to lower the selling price, sell other investments, or forego another, more appealing investment opportunity. Changing regulatory and market conditions, including a decline in the number or capacity of financial institutions to make markets in the Strategy’s investments, as well as increases in interest rates or credit spreads, may adversely affect the liquidity of the Strategy’s investments. Illiquid investments may also be more difficult to value, and judgment plays a larger role in valuing these investments as compared to valuing more liquid investments.
- *Credit Risk.* Changing economic conditions may adversely affect an obligated entity’s actual or perceived ability to pay interest or principal on a fixed income security when due, which in turn can adversely affect the price of or income derived from the security.
- *U.S. Government Securities Risk.* U.S. government securities that are not issued or guaranteed by the U.S. Treasury are generally more susceptible to loss than are securities that are so issued or guaranteed.
- *Mortgage Risk.* Mortgage related securities tend to become more sensitive to interest rate changes as interest rates rise, increasing their volatility. When interest rates decline, underlying borrowers may pay off their loans sooner than expected, forcing the Strategy to reinvest disposition proceeds at lower prevailing interest rates.

- *Reinvestment Risk.* Income from the Strategy's investments may decline if the Strategy is forced to invest the proceeds from matured, called or otherwise disposed of debt securities or convertible securities at interest rates that are below the Strategy's earnings rate at that time.
- *High Yield Securities Risk.* High yield securities ("junk bonds") are considered predominately speculative with respect to the issuer's continuing ability to make principal and interest payments when due. Investments in such securities tend to increase the Strategy's exposure to interest rate risk, credit risk and liquidity risk.
- *Allocation Risk.* The allocation techniques and decisions of the investment adviser may not produce the desired results.
- *Underlying Funds and ETFs Risk.* Investments in shares of Underlying Funds and ETFs are subject to the fees, expenses and risks of those Underlying Funds or ETFs. The Strategy may be limited in the extent to which it can invest in an Underlying Fund or ETF, and may have limited information about the Underlying Fund's or ETF's investments, either of which may adversely affect the management of the Strategy. If an Underlying Fund or ETF seeks to track the performance of an index, the value of the Strategy's investment in such Underlying Fund or ETF also would fluctuate with the value of the index. The Adviser may have potential conflicts of interest in selecting affiliated Underlying Funds for investment by the Strategy because the fees paid to it by some Underlying Funds are higher than the fees paid by other Underlying Funds, as well as a potential conflict in selecting affiliated funds over unaffiliated funds.
- *Focused Portfolio Risk.* To the extent the Strategy invests its assets in a more limited number of issuers than many other mutual funds, a decline in the market value of a particular security may affect the Strategy's value more than if the Strategy invested in a larger number of issuers.

Item 9. Disciplinary Information

The Adviser has no legal, regulatory or disciplinary events that are material to a client's or prospective client's evaluation of the Adviser or their management.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser and its employees are not registered, nor do they have an application pending to register, as a broker/dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

Arrangements with related persons that are material to the Adviser's advisory business are as follows:

- The Adviser has entered into sub-advisory agreements with Impax Asset Management, Ltd., an SEC-registered affiliate of the Adviser based in London, United Kingdom ("Impax Sub-Adviser"), to manage certain Funds' investments. Impax Sub-Adviser has full investment discretion and makes all determinations with respect to the investment of each such Fund's assets, subject to the general supervision of the Adviser and the applicable Board of Trustees. The Adviser (and not the Fund) pays a portion of the advisory fees it receives to Impax Sub-Adviser in return for its services.
- The Adviser also has entered into a sub-advisory agreement with Aperio Group, LLC to manage certain Funds' investments. The sub-adviser has full investment discretion and makes all determinations with respect to the investment of each such Fund's assets, subject to the general supervision of the Adviser and the relevant Board of Trustees or other Fund governing body. The Adviser (and not the

Funds) pays a portion of the advisory fees it receives to the sub-adviser in return for its services.

The Adviser may share certain personnel with its affiliates, including Impax Sub-Adviser, in connection with the provision of a variety of services to their clients, such as investment research, investment monitoring, trading and distortionary investment management. Such services are provided either pursuant to sub-advisory agreements, personnel-sharing agreements or other similar agreements.

Item 11. Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

Code of Ethics

The Adviser places the utmost importance on client trust and their fiduciary responsibilities to clients in all aspects of the business. The Adviser has adopted a Code of Ethics (the "Code") that complies with SEC Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act").

Pre-clearance Requirements for Personal Trading by Access Persons

The Adviser deems Supervised Persons (e.g., employees, contractors (short and long-term), consultants, interns and any other persons deemed to be subject to Impax's supervision) as Access Persons for purposes of the Code. Access Persons must obtain clearance from the Chief Compliance Officer or his delegate prior to effecting any securities transaction, other than those specifically exempted by the Code, in which they, their families (including spouse (or spousal equivalent), minor children and adults living in the same household), or trust of which they are trustees or in which they have a beneficial interest, are parties. This includes a specific requirement for Access Persons to obtain clearance prior to directly or indirectly acquiring any beneficial interest in securities in an initial public offering or in a private placement.

Reporting Requirements for Access Persons

Each Access Person of the Adviser and his/her family members (including spouse, whether or not recognized by law, minor children, and adults living in the same household) will submit to the Chief Compliance Officer periodic report regarding accounts, securities held and transactions in securities owned of record and beneficially held.

Standards of Business Conduct and Compliance with Federal Securities Laws

The Code sets forth standards of business conduct for the Adviser and its Supervised Persons (all employees, Access Persons and others designated by the Adviser's Chief Compliance Officer, which may include subcontractors and outsourced providers). The Code is based on the principle that the Adviser and its Supervised Persons have a fiduciary duty to act in the best interests of the Adviser's clients.

Supervised Persons must comply with federal securities laws, acknowledge that they have read and understand the Code upon employment and at least annually thereafter and report any violations of the Code to Compliance.

A copy of the Code is available to any client or prospective client on request to John Boese at (603) 431-8022 or by writing to John Boese, Impax Assets Management, 30 Penhallow Street, Suite 400, Portsmouth, NH 03801.

Participation or Interest in Client Transactions and Conflicts of Interest

The Adviser does not invest in securities for its own account. The Adviser's personnel may trade in securities for their own accounts, including securities that the Adviser has purchased and sold, or recommended for purchase and sale, for clients *provided however*, that Access Persons are required to obtain clearance in advance for trading in securities as described above. Clearance to trade will generally not be granted if the Fund traded or intend to trade within a 24-hour period before or after clearance is requested.

Participation or interest in client transactions are further detailed above in Item 10. The Adviser has a Conflict of Interest Policy which applies to conflicts of interest that may give rise to a material risk to the interests of any client. The Adviser conducts its business according to the principle that it must manage conflicts of interest fairly, both between itself and a client, and between one client and another.

In identifying conflicts of interest, the Adviser considers the factual circumstances and will take into account whether it is likely to:

- make a financial gain, or avoid a financial loss, at the expense of the client or clients or;
- have an interest in the outcome of a service provided to the client, or the outcome of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome or;
- have a financial or other incentive to favour the interest of one client or group of clients over the interests of another client or group of clients;
- carry on the same business as the client; and /or
- receive, from a person other than the client, an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

The Adviser's policy is to take all reasonable steps to maintain and operate effective organizational, procedural and administrative arrangements to identify and manage conflicts. The Adviser has in place procedures that address the identification and management of actual and potential conflicts of interest that may arise in the course of the Adviser's business. The Adviser is required to manage any conflict of interest which arises promptly and fairly.

Principal Transactions

The Adviser does not conduct principal transactions.

Item 12. Brokerage Practices

Clients' Interests

As a fiduciary, the Adviser has to act in accordance with the best interests of its clients and seek best execution when placing orders with brokers for execution that result from decisions by the Adviser to deal in financial instruments on behalf of our clients and funds and to take all sufficient steps to seek the best possible result for their clients and funds when directly executing orders with an Execution Venue on behalf of their clients. The Adviser will always execute client orders as agent.

Best execution requires the Adviser to execute transactions for clients in such a manner that is the most favorable under the circumstances, taking into account all relevant factors.

The best price, while very important, is not the only consideration. We seek best execution for all our funds, regardless of whether commissions are charged.

Broker Selection

Generally, the Adviser has discretion with respect to the Funds without any limitations on its authority, subject only to restrictions of a Fund's registration statement and the Investment Company Act of 1940, as amended. This discretion includes the authority, without prior notice to the client, to buy and sell securities for the Funds and establish and effect securities transactions through accounts with broker-dealers selected by the Adviser. The Adviser does not always trade for its institutional accounts (e.g., its model accounts).

In placing orders for the purchase and sale of securities and selecting brokers to effect these transactions, the Adviser seeks prompt execution of orders at the most favorable prices reasonably obtainable under the facts and circumstances. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution taking into consideration the full range of a broker-dealer's services, including, but not limited to, the following:

- A broker's trading expertise, including the broker's ability to complete trades, execute and settle difficult trades, obtain liquidity to minimize market impact and accommodate unusual market conditions, maintain anonymity, and account for its trade errors and correct them in a satisfactory manner.
- A broker's infrastructure, including order-entry systems, adequate lines of communication, timely order execution reports, an efficient and accurate clearance and settlement process, and capacity to accommodate unusual trading volume.
- A broker's ability to minimize total trading costs while maintaining its financial health, such as whether a broker can maintain and commit adequate capital when necessary to complete trades, respond during volatile market periods, and minimize the number of incomplete trades.
- A broker's ability to provide research and execution services, including advice as to the value or advisability of investing in or selling securities, analyses and reports concerning such matters as companies, industries, economic trends and political factors, or services incidental to executing securities trades, including clearance, settlement and custody.
- A broker's ability to provide services to accommodate special transaction needs, such as the broker's ability to execute and account for soft dollar arrangements, participate in underwriting syndicates and obtain initial public offering shares.

Use of Soft Dollars to Obtain Research Services

Where more than one broker-dealer is believed to be capable of providing the best combination of price and execution with respect to a particular portfolio transaction, the Adviser may select a broker-dealer that furnishes research services. Research services may include:

- Furnishing advice as to the value of securities, the advisability of investing in purchasing or selling securities, and the availability of securities or purchasers or sellers of securities.
- Furnishing seminars, information, analysis and reports concerning issuers, industries, securities, trading markets and methods, legislative developments, changes in accounting practices, economic factors and trends, portfolio strategy, access to research analysts, corporate management personnel, industry experts

and economists, comparative performance evaluation and technical measurement services and quotation services, and products and other services (such as third party publications, reports and analyses, and computer and electronic access, software, information and accessories that deliver, process or otherwise utilize information, including the research described above) that assist the Adviser in carrying out its investment decision-making responsibilities (including but not limited to research and information services such as Reuters, Bloomberg, Dow Jones News Services and other similar services).

- Effecting securities transactions and performing functions incidental thereto (such as clearance and settlement).

In addition, if the Adviser determines in good faith that the commission charged by a broker-dealer is reasonable in relation to the value of brokerage and research services provided by such broker-dealer, the Adviser may cause a client to pay such a broker-dealer an amount of commission greater than the amount another broker-dealer may charge, but generally within a competitive range for full service brokers. The Adviser may also enter into arrangements with brokers regarding the allocation of the minimum annual amounts of brokered transactions to such brokers. In exchange, the Adviser receives from such brokers research and research-related software. A transaction will be placed with such brokers only if consistent with the best execution policies described above (which take into account the provision of research and related services) and the Adviser will terminate any such arrangement or compensate the broker in cash for such research or software to the extent it cannot fulfill the arrangement consistent with such policies.

Some “mixed-use” products or services can be used by the Adviser for both research/execution and non-research purposes, such as administration or marketing. If these products or services are obtained with soft dollars, the Adviser will allocate their cost between research and non-research uses. The Adviser will use its own hard dollars to pay that part of the cost that is attributable to non-research uses.

Some brokerage and research services received may benefit clients other than the client generating the soft dollar credits. The Adviser’s receipt of research services will not reduce a client’s investment advisory fees.

As the Adviser intends its soft dollars usage to fall within the “safe harbor” of Section 28(e) under the Securities Exchange Act of 1934, as amended, the Adviser may revise its soft dollar policy to the extent required by SEC guidance.

Bunching Orders

Although it need not do so, the Adviser may aggregate or “bunch” orders when the Adviser believes that bunching will result in a more favorable overall execution. If appropriate, the Adviser will allocate these bunched orders at the average price obtained. The Adviser may bunch a client’s trades with trades of other pooled investment vehicles in which the Adviser and/or personnel of the Adviser may have a beneficial interest pursuant to an allocation process the Adviser in good faith considers to be fair and equitable to all clients over time.

Balancing the Interests of Multiple Client Accounts

The Adviser may manage multiple client portfolios with similar investment objectives and strategies or may manage portfolios with different objectives or strategies that may trade in the same securities. Despite these similarities, the Adviser’s portfolio decisions about

each client's investments and the performance resulting from these decisions may differ from those of other clients.

In the event the Adviser determines to make a trade in the same security for more than one client account, the Adviser sends such similar trade orders for its client accounts simultaneously to its trading personnel for execution; except to the extent a client account has a directed brokerage arrangement or otherwise provides instructions that prevent the Adviser from doing so (such as certain non-discretionary client accounts). While such orders are sent to the trading personnel simultaneously, the Adviser's trading personnel will execute the orders in accordance with the discussion in this Item 12.

Allocating Investment Opportunities

The Adviser will not necessarily purchase or sell the same securities for clients at the same time or in the same proportionate amounts for all eligible clients. When the Adviser purchases thinly traded securities or oversubscribed public offerings, it may not be feasible to allocate a transaction pro rata to all eligible clients. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

The Adviser allocates investment and trading opportunities among various clients (including the sequence of placing orders) in a manner believed by the Adviser to be fair and equitable to each client over time. In making these allocations and in departing from a proportionate allocation based on the relative sizes of client's portfolios, the Adviser will take into account the following factors:

- The clients' investment objectives and strategies;
- The composition, size and characteristics of the portfolio;
- The fee structure of the portfolio;
- The cash flows and amount of investment funds available to each client;
- The amount already committed by each client to a specific investment; and
- Each client's risk tolerance and the relative riskiness of the investment.

The Adviser may deviate from strictly pro rata allocation, when appropriate, taking into account the following factors:

- To avoid creating odd lot positions in any portfolio;
- To allocate a smaller portion to those portfolios for which the purchased security would be a peripheral investment and a larger portion to those portfolios for which the security would be a core investment;
- To the extent that the purchased security is especially appropriate for portfolios with certain investment goals or risk tolerances;
- To satisfy demand with respect to a portfolio's cash position (i.e., to allocate a small portion to portfolios with less cash or liquidity and a greater portion to portfolios with more cash or highly liquid investments); and
- When a proportionate allocation would, given the size of a portfolio, result in a position that is too small to be meaningful or too large to maintain an appropriate level of diversification.

If it is not possible, in a single transaction or at a single price, to effect trades in a particular security that is appropriate for multiple portfolios, the Adviser may if feasible compute and give to each participating portfolio the average price for that day's transactions in the securities.

Transactions Between Client Accounts

Sometimes the Adviser may consider a security being sold by one client appropriate for purchase by another client. If the Adviser believes it to be in the interests of both clients, the Adviser may arrange to transfer or “cross” the security directly between the affected clients. Any cross trades in which a Fund participates are executed in accordance with procedures complying with Rule 17a-7 under the Investment Company Act of 1940, as amended.

Any cross transactions would be effected at an independently determined market price and may incur a nominal brokerage commission for conducting the transfer. Although each client may incur customary custodian and transfer fees, none of these fees will be paid to the Adviser. The Adviser will primarily select the execution broker that in its judgment is the most appropriate, taking into account the execution factors and execution criteria. The trading desk will only execute with approved counterparties with whom the Adviser has confidence in the considerations and settlements process of the market and particular counterparty

We continuously monitor and evaluate the performance and execution capabilities of brokers that transact orders for our clients to ensure consistent quality executions. This information is reported to the Adviser’s Best Execution Committee, which oversees broker-selection issues. In addition, we periodically review our transaction costs in light of current market circumstances using Bloomberg application software.

Trading Errors

A trade error occurs when the centralized trading desk or, in specific circumstances, a portfolio manager, does something in respect to trading that they did not intend to do.

The Adviser maintains a log of all trading errors which are documented on the day on which the event occurs or as soon as the error is identified.

The Adviser recognizes that Clients should not be disadvantaged due to a trading error and will swiftly respond as soon as one is detected. The Adviser upholds Clients’ interests by ensuring a thorough analysis of the trading error along with the adoption of suitable measures to ensure that the Clients’ portfolios are returned to their intended position. The Adviser ensures that any remedial measures are actioned in a timely manner, including monetary compensation if applicable. The Chief Compliance Officer is responsible for overseeing a successful resolution. Absent gross negligence on the part of the Adviser, the costs of a trade error is borne by the client. The Adviser has a conflict of interest in determining whether a trade error meets the standard of gross negligence.

Item 13. Review of Accounts

Portfolio managers and analysts monitor all Clients on an ongoing basis, and meet regularly as a group. Portfolio holdings are electronically and manually monitored for compliance with prospectus and sustainable investing guidelines. Additionally, such reviews are likely to include compliance with Client asset allocation and variance from target allocation, performance, valuation and current investment processes. These reviews are conducted regularly but can also be triggered by factors that may include changes in market conditions, strategy or investment objectives.

Mutual fund shareholders and separate account clients receive quarterly reports regarding their accounts, which include investment performance, investment strategy, and market

outlook and portfolio holdings. Further, mutual fund shareholders receive confirmation reports for all transactions and have ongoing on-line access to their accounts.

Item 14. Client Referrals and Other Compensation

The Adviser does not receive compensation from third parties for advisory services to the Clients.

The Adviser can engage one or more persons to act as agent for a fund in connection with the offer and sale of interests to prospective investors. Fees payable will be negotiated individually between the Adviser and the agent. See Item 10 above regarding ALPS Distributors, Inc.

Item 15. Custody

The Firm does not accept “custody” within the meaning of Rule 206(4)-2 of the Investment Advisers Act of 1940 (the “Custody Rule”) of its Clients’ assets.

Item 16. Investment Discretion

The Adviser usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Adviser observes the investment policies, limitations and restrictions of the clients for which it advises. For mutual funds, the Adviser’s authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to the Adviser in writing.

Item 17. Voting Client Securities

Generally. Unless otherwise specifically directed by a client in writing, we are responsible for the voting of all proxies related to securities that we manage on behalf of our clients. Any directions from clients to the contrary must be provided in writing. We may delegate our responsibilities under these Proxy Voting Policies and Procedures, as further discussed below.

The Advisers Act requires us, at all times, to act solely in the best interest of our clients. We have adopted and implemented proxy voting policies and procedures, which we believe are reasonably designed to ensure that proxies are voted in the best interest of clients, in accordance with our fiduciary duties and Rule 206(4)-6 under the Advisers Act. We have established proxy voting policies and procedures in a manner that is generally intended to support the ability of management of a company soliciting proxies to run its business in a responsible and cost effective manner while staying focused on maximizing shareholder value. We generally vote proxies in accordance with the guidelines set forth in the Statement of Additional Information of each of the Funds, also available on the Pax World Funds’ website at www.paxworld.com. The guidelines do not, however, address all potential voting issues or the intricacies that may surround individual proxy votes and there may be instances in which votes may vary from such guidelines. We always endeavor to vote proxies relating to portfolio or client account securities in accordance with the Funds’ or client’s investment objectives and social goals. All proxy votes are

ultimately cast on a case-by-case basis, taking into account all relevant facts and circumstances at the time of the vote.

Conflicts of Interest. We review each proxy to assess the extent, if any, to which there may be a material conflict between the interests of our clients and our interests (including those of our affiliates, managers, officers, employees and other similar persons) (referred to hereafter as a “potential conflict”). We perform this assessment on a proposal-by-proposal basis. A potential conflict with respect to one proposal in a proxy shall not indicate that a potential conflict exists with respect to any other proposal in such proxy. As noted above, we generally vote proxies in accordance with our proxy guidelines, including when a vote presents a potential conflict. If we determine that a potential conflict may exist that is not adequately addressed in the proxy guidelines, we shall promptly report the matter to the Chief Compliance Officer, who shall determine whether a potential conflict exists and who is authorized to resolve any such conflict in a manner that is in the collective best interests of our clients (excluding any client that may have a potential conflict). Without limiting the generality of the foregoing, the Chief Compliance Officer may resolve a potential conflict in any of the following manners:

- We may disclose the potential conflict to our clients and obtain the consent of a majority in interest of our clients before voting in the manner approved by a majority in interest of our clients;
- We may engage an independent third-party to determine how the proxy should be voted; or
- We may establish an ethical wall or other informational barriers between the person(s) that are involved in the potential conflict and the person(s) making the voting decision in order to insulate the potential conflict from the decision maker.

We use commercially reasonable efforts to determine whether a potential conflict may exist, and a potential conflict shall be deemed to exist if and only if one or more of our senior investment staff actually knew or reasonably should have known of the potential conflict.

Limited Value. We may abstain from voting a client proxy if we conclude that the effect on a client’s economic interests or the value of the portfolio holding is indeterminable or insignificant.

Unjustifiable Costs. We may abstain from voting a client proxy for cost reasons (e.g., costs associated with voting proxies of non-U.S. securities). In accordance with our fiduciary duties, we will weigh the costs and benefits of voting proxy proposals relating to foreign securities and make an informed decision with respect to whether voting a given proxy proposal is prudent. Our decision will take into account the effect that the vote of our clients, either by itself or together with other votes, is expected to have on the value of our client’s investment and whether this expected effect would outweigh the cost of voting.

Client Direction. Unless otherwise directed by a client in writing, we are responsible for voting all proxies related to securities that we manage for clients. A client may from time to time direct us in writing to vote proxies in a manner that is different from our guidelines. We will follow any such written direction for proxies after our receipt of such written direction.

A client for whom we are responsible for voting proxies may obtain information from us regarding how we voted the client’s proxies. Clients should contact the Chief Compliance Officer to make such a request. In addition, the proxy voting record of each of Pax World Funds is available on our website and is filed annually with the SEC on Form N-PX.

We shall from time to time review our proxy voting policies and procedures and may adopt changes based upon our experience, evolving industry practices and developments in applicable laws and regulations. Unless otherwise agreed to with a client, we may change our proxy voting policies and procedures from time to time without notice to, or approval by, any client. Clients may request a current version of our Proxy Voting Policies and Procedures by contacting the Chief Compliance Officer.

We may delegate our responsibilities under these policies and procedures to a third party, provided that we retain final authority and fiduciary responsibility for proxy voting. If we so delegate our responsibilities, we shall provide such third party with a copy of our proxy voting guidelines and it shall be the third party's responsibility to vote proxies in accordance with the guidelines on our behalf. If a question arises as to how a particular proxy should be voted, the third party shall bring the question to the attention of the Adviser. The Chief Compliance Officer shall also ensure monitoring of the third party's compliance with the proxy voting guidelines. Notwithstanding our delegation of our responsibilities hereunder, the Chief Compliance Officer shall have final authority with regard to how a particular proxy is voted.

Clients may obtain a copy of Adviser's complete proxy voting policies and procedures upon request. Clients may also obtain upon request information from the Adviser about how they voted any proxies on behalf of their account(s).

Item 18. Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. Impax Asset Management LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.