

Pax Ellevate Global Women's Leadership Fund

Sustainability & Impact Profile

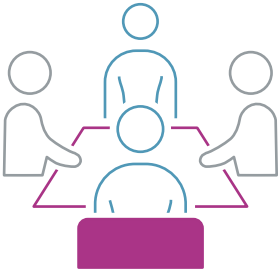
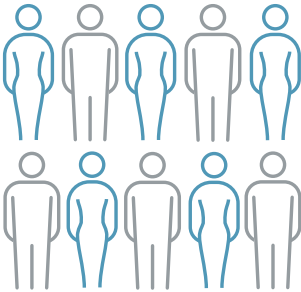






INVESTMENT STRATEGY

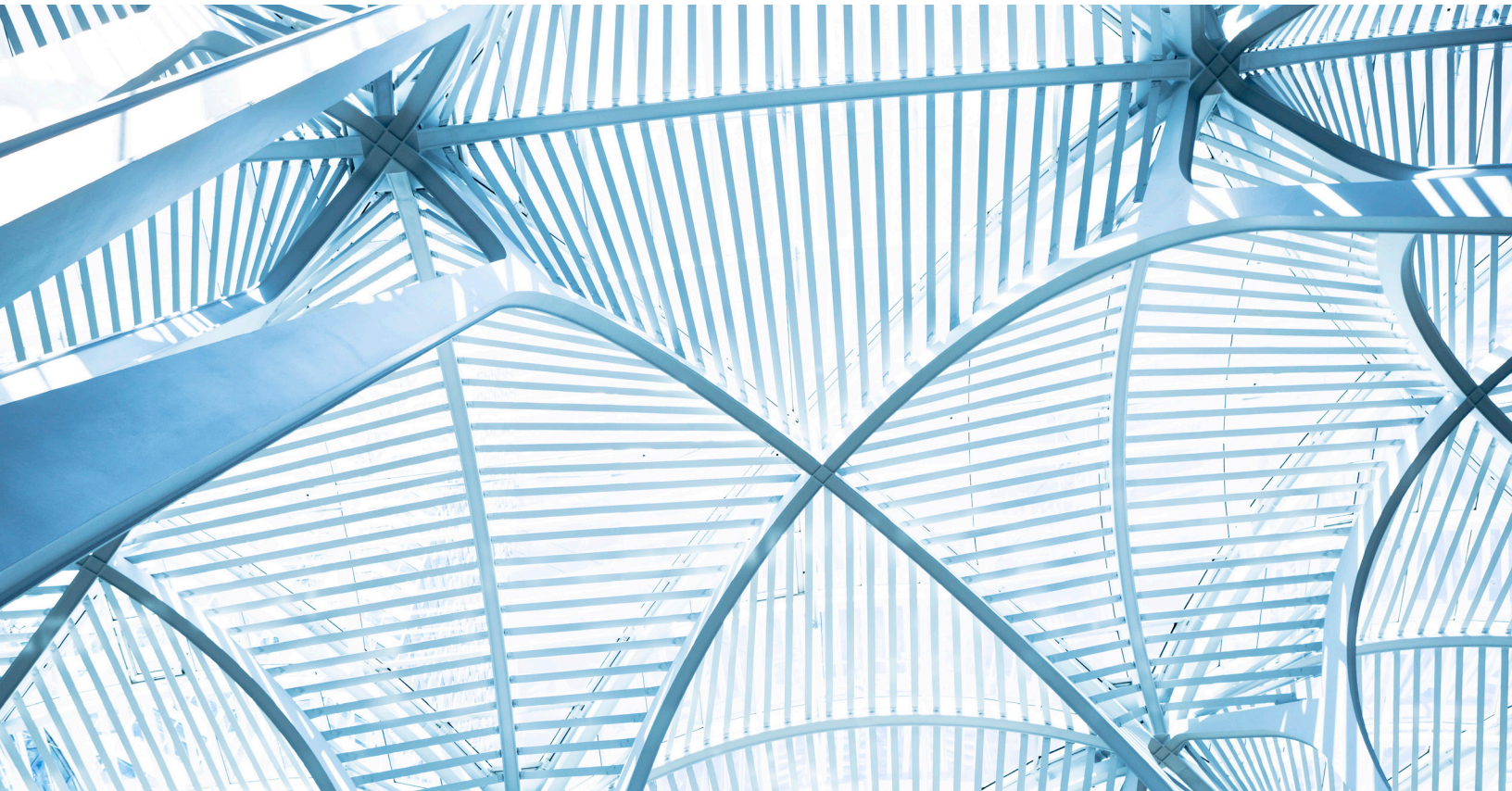
Impax Asset Management is a specialist asset manager focused on investing in the transition to a more sustainable global economy. We believe capital markets will be shaped profoundly by global sustainability challenges, including human capital issues such as diversity, inclusion and gender equity.

The **Pax Ellevate Global Women’s Leadership Fund (PXWIX)** is the first broadly diversified mutual fund that invests in the highest-rated companies in the world for advancing women. We rank companies in the MSCI World Index according to their Impax Gender Score, which is based on the criteria outlined below. We then use a proprietary optimization process to construct the portfolio, comprised of the top 25% (approximately 400 of the highest-ranked companies out of the roughly 1,600 companies in the MSCI World Index).

Gender Criteria

			Hiring, promotion & retention of women
			Gender pay equity
			Proactive gender goals and targets and/or signatory to WEPs ¹
			Transparency about gender diversity data

¹ WEPs stands for Women’s Empowerment Principles, a joint initiative of the UN Global Compact and UN Women.



Investing in Women and Advancing Equality

Research shows that companies with more women in leadership perform better and have greater innovation, increased productivity, and higher employee retention. In addition, research shows diverse leadership helps foster a more inclusive culture in an organization over time through more progressive equality, diversity and inclusion (ED&I) policies and programs, improved pay equity and a diverse talent pipeline.²

Nevertheless, the lack of gender equality in the corporate world remains staggering. Investors in the Fund can make an impact by investing in companies that are part of the solution. At scale, the power of capital in gender lens investing sends a message to companies that women’s leadership and gender equality are critical to business success.

COMPETITIVE ADVANTAGES OF DIVERSITY

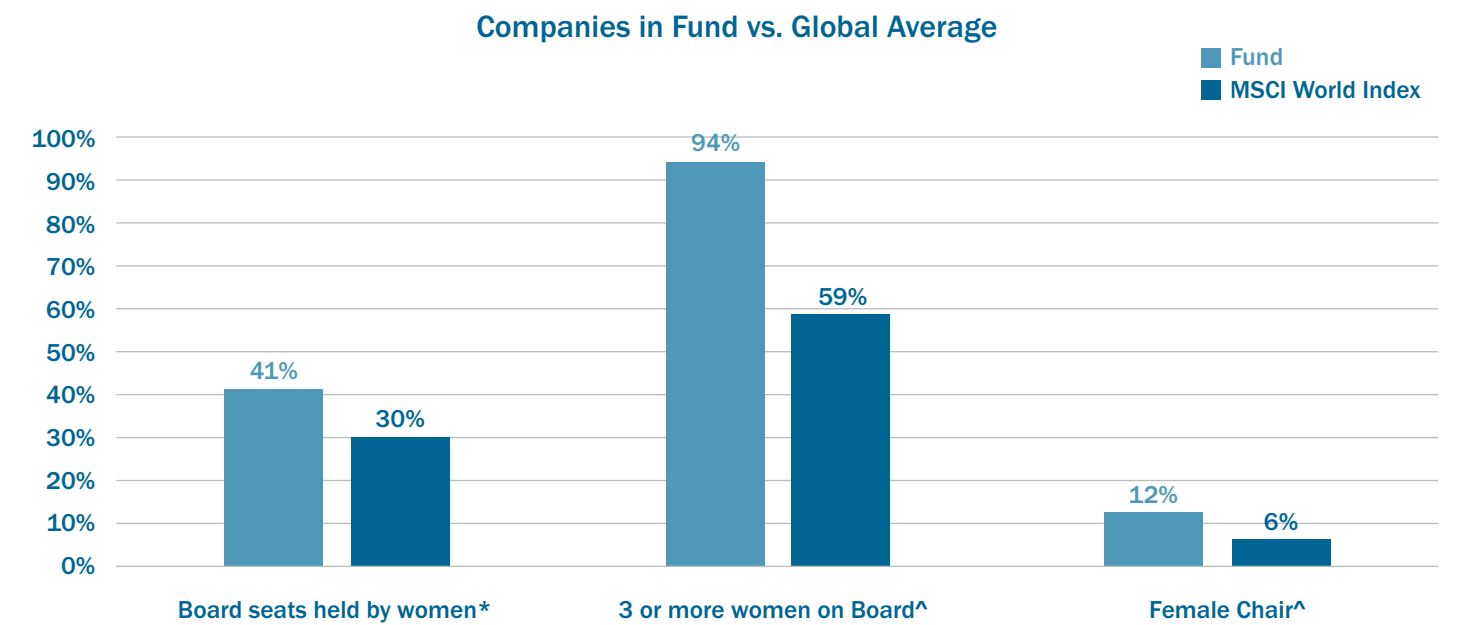
Companies with gender diverse leadership are better positioned to outperform their peers



GENDER ADVANTAGE

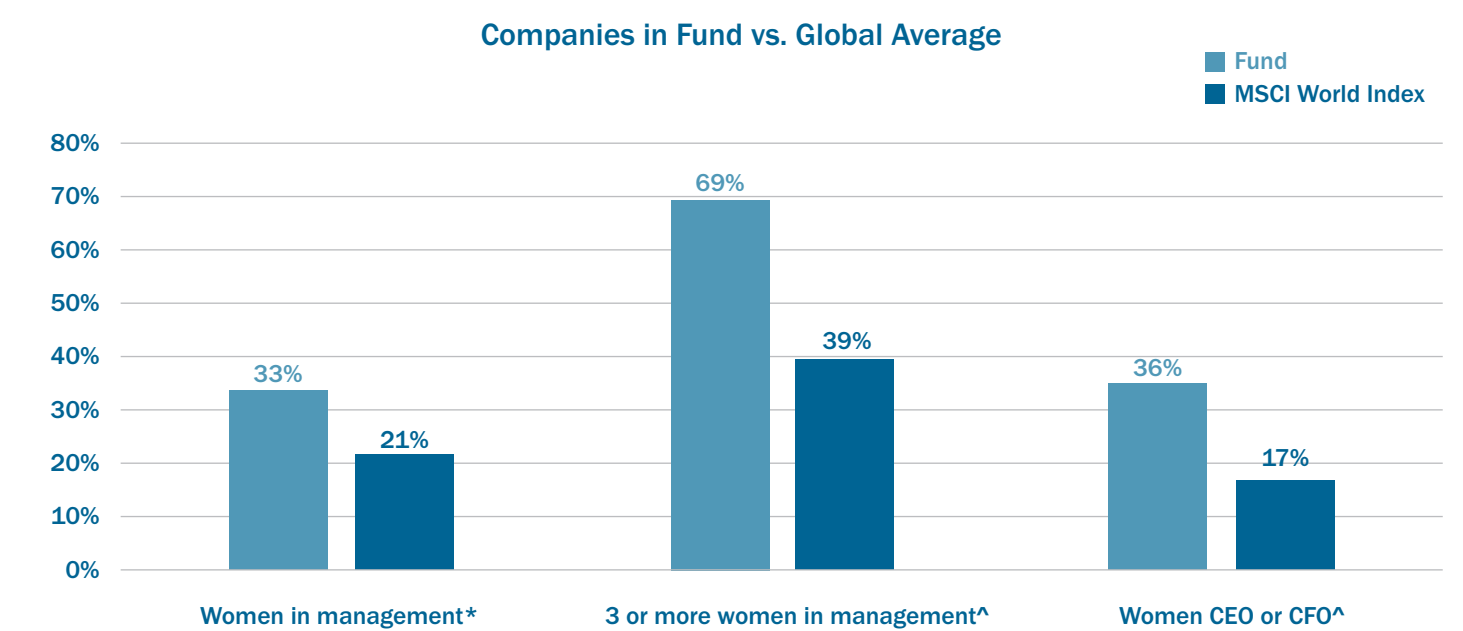
The Fund is designed to capture the advantages of gender diversity by exceeding global markets on key gender characteristics.

REPRESENTATION OF WOMEN ON BOARDS OF DIRECTORS



Source: MSCI World Index, Impax Gender Analytics, data as of 6/30/2021. *Weighted Average Percent. ^Percent of securities.

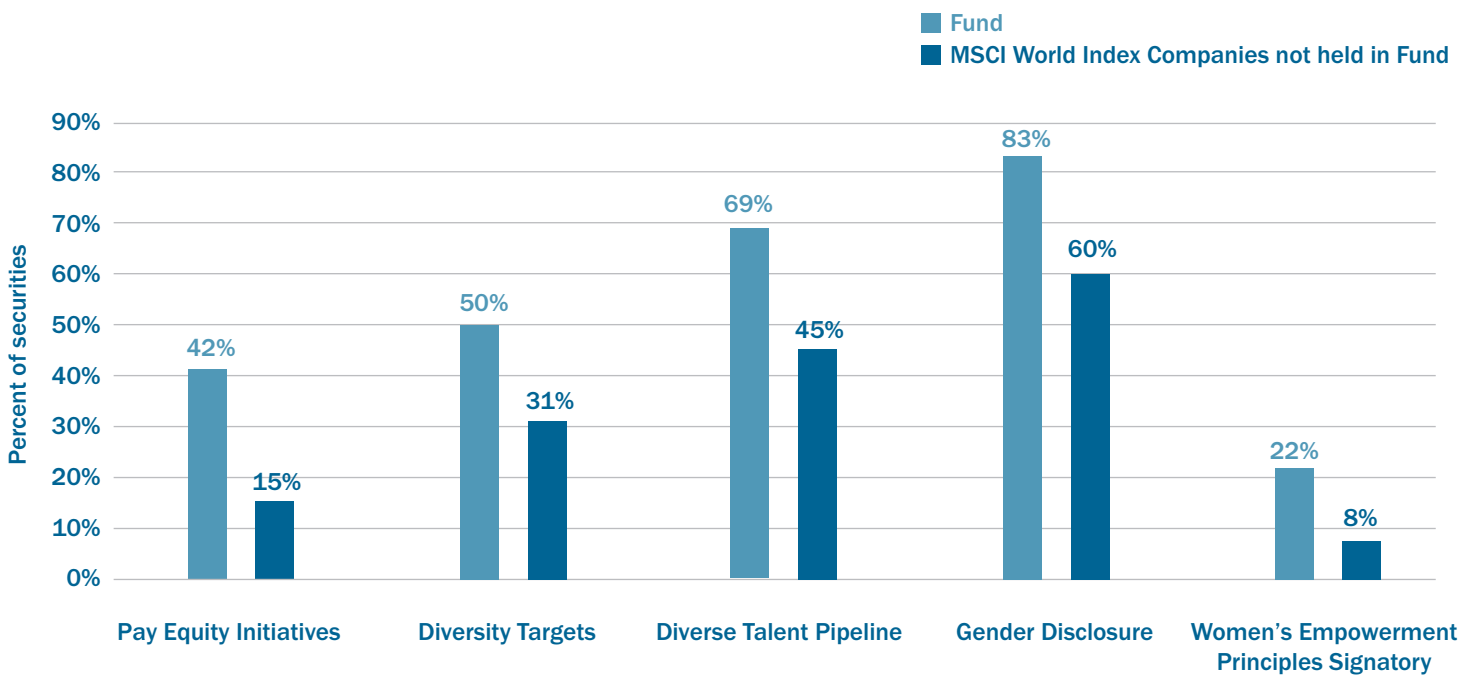
REPRESENTATION OF WOMEN IN EXECUTIVE MANAGEMENT



Source: MSCI World Index, Impax Gender Analytics, data as of 6/30/2021. *Weighted Average Percent. ^Percent of securities.

ADDITIONAL GENDER CHARACTERISTICS

Companies in Fund vs. MSCI World Index Companies not held in Fund

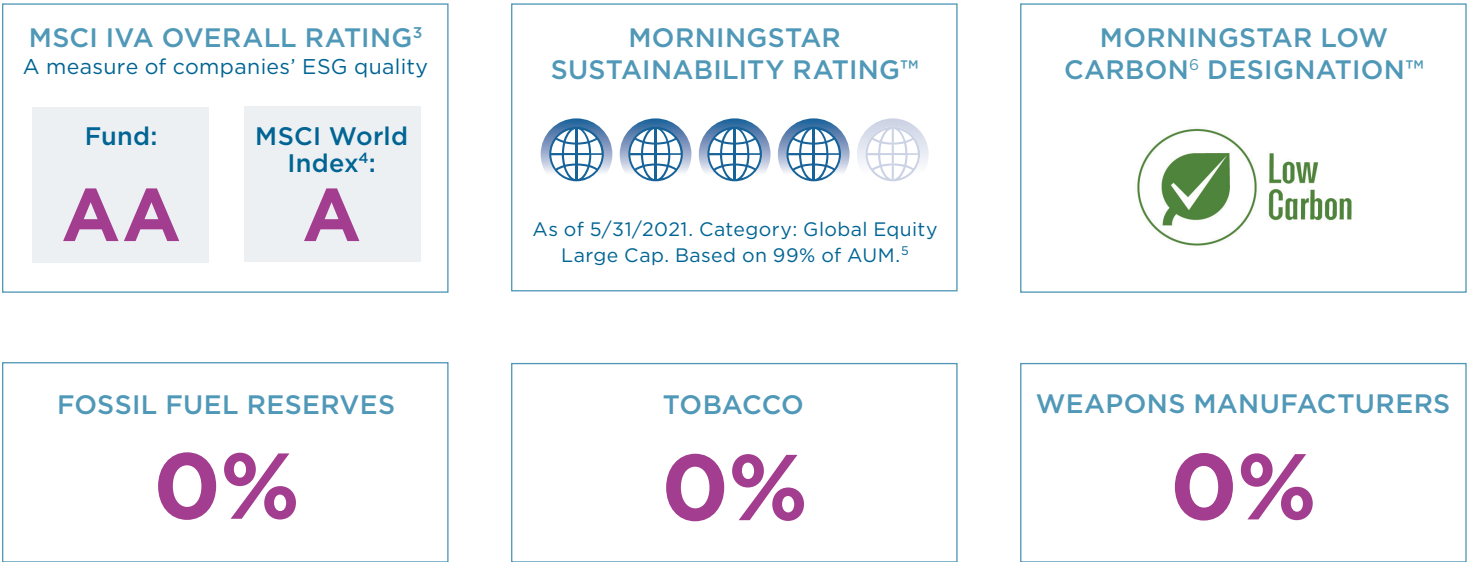


Source: MSCI World Index, Impax Gender Analytics, data as of 6/30/2021.

- **Pay Equity Initiatives:** Whether a company is taking steps to address gender pay equity and close pay gaps.
- **Diversity Targets:** Whether a company sets proactive gender-related goals or targets.
- **Diverse Talent Pipeline:** Whether a company has efforts in place to recruit, retain and develop women talent.
- **Gender Disclosure:** Whether a company discloses statistics on its workforce composition by gender.
- **Women's Empowerment Principles Signatory:** Whether a company is a signatory to the UN Women's Empowerment Principles.

SUSTAINABILITY CHARACTERISTICS

In addition to the Fund’s strong gender profile, the investment strategy has led to sustainability characteristics that compare favorably to a traditional benchmark and peers. These results reinforce the large and growing body of literature about the positive impact women in leadership have on company sustainability, including climate change solutions.²



ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS



The UN Sustainable Development Goals (SDGs) comprise a series of 17 sets of targets to be met by 2030. A growing number of asset owners are seeking to assess how their investments contribute to the SDGs as a means of measuring their impact.

Our gender investment strategy and engagement focus areas align with **SDG #5: Achieve gender equality and empower all women and girls.**

In particular, the Fund is aligned with the following two sub-goals.

- Sub-goal 5.5: Ensure Women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life, as measured by indicator 5.5.2: Proportion of women in managerial positions.
- Sub-goal 5.1: End all forms of discrimination against women.



Advancing pay equity and promoting greater gender diversity

COMPANY EXAMPLES

PayPal (PYPL)

Operates as a technology platform and digital payments company that enables digital and mobile payments on behalf of consumers and merchants worldwide.

Diverse Leadership

Women comprise 36% of PayPal's board of directors and 30% of the company's executive management team. Including individuals from diverse racial and ethnic groups, the percentages increase to 45% of board members and 50% of executive management.

Workplace Equality

The company launched a diverse hiring initiative in 2019 focused on executive positions and then expanded to all roles in 2020. In 2019, 34% of open positions were filled by externally sourced diverse candidates. In 2020, the company maintained global gender pay equity and U.S. ethnic pay equity in salary and bonuses for the fifth consecutive year.

Social Issues & COVID-19

CEO Dan Schulman has been a vocal proponent of the company's mission to democratize payments and to support women and minorities while speaking out against policies and actions antithetical to that mission. During the pandemic, the company transitioned nearly 100% of its global workforce to remote work or flexible work arrangements, pledged to continue paying employees unable to work because of the impacts of COVID-19 and strengthened programs focused on employee wellness.

Starbucks (SBUX)

Operates as a roaster, marketer and retailer of specialty coffee worldwide.

Diversity

Women comprise 42% of Starbucks' board of directors and 56% of the company's executive management team. Rachel Ruggeri is Starbucks' CFO and Mellody Hobson serves as Board Chair.

Pay Equity

Starbucks has achieved 100% pay equity for women and men and people of all races performing similar work in the U.S. and is committed to achieving pay equity in all markets globally. Starbucks has created a set of Pay Equity Principles and best practices and is sharing them with other companies to encourage greater progress for women around the world.

Proactive Goals

The company has set representation goals across all roles, including, at minimum, a goal of 40% people of color and 55% women in all retail roles, and 50% women and 30% people of color for all enterprise roles by 2025.

ENGAGEMENT

Engagement is a key part of our investment process. We have been particularly focused on diversity engagements that help companies identify and eliminate the structural barriers that prevent women and minorities from advancing to senior leadership positions and achieving parity. We believe these leading companies will be instrumental in setting new standards for best practices among peers.

For the one-year period ending 3/31/2021, we engaged with numerous companies in the Fund. The following are examples of three notable engagements.

COMPANY NAME	ESG ISSUE	ACTION/STATUS	DESCRIPTION
Becton, Dickinson & Co.	Pay Equity, Climate Change	Direct Dialogue	Encouraged the company to incorporate its pay equity initiatives into future sustainability reporting and discussed potential company actions in response to physical climate risk analysis conducted by Impax.
Johnson & Johnson	Diversity: Multiple Issues	Shareholder Proposal*	Requested that the company conduct an independent racial equity audit in order to assess the effectiveness of its policies and practices on civil rights, equity, diversity and inclusion. The proposal went to a shareholder vote, receiving strong support of 34%.
PNC Financial Services Group (PNC)	Pay Equity	Direct Dialogue	Discussed the company's management and oversight of pay equity and urged greater transparency. The company committed to pay equity and published the results of its gender and racial pay equity assessment for this first time in its Corporate Social Responsibility Update.

As part of the firmwide commitment to advancing gender equality, Impax also engages annually with hundreds of companies held across other Impax portfolios to help them understand the benefits of gender diversity in leadership and gender pay equity.

If you would like to learn more about Impax engagement, our [latest Engagement Report](#) describes how we engage, our focus areas, collaborations, public policy advocacy, key milestones and other tangible impacts.

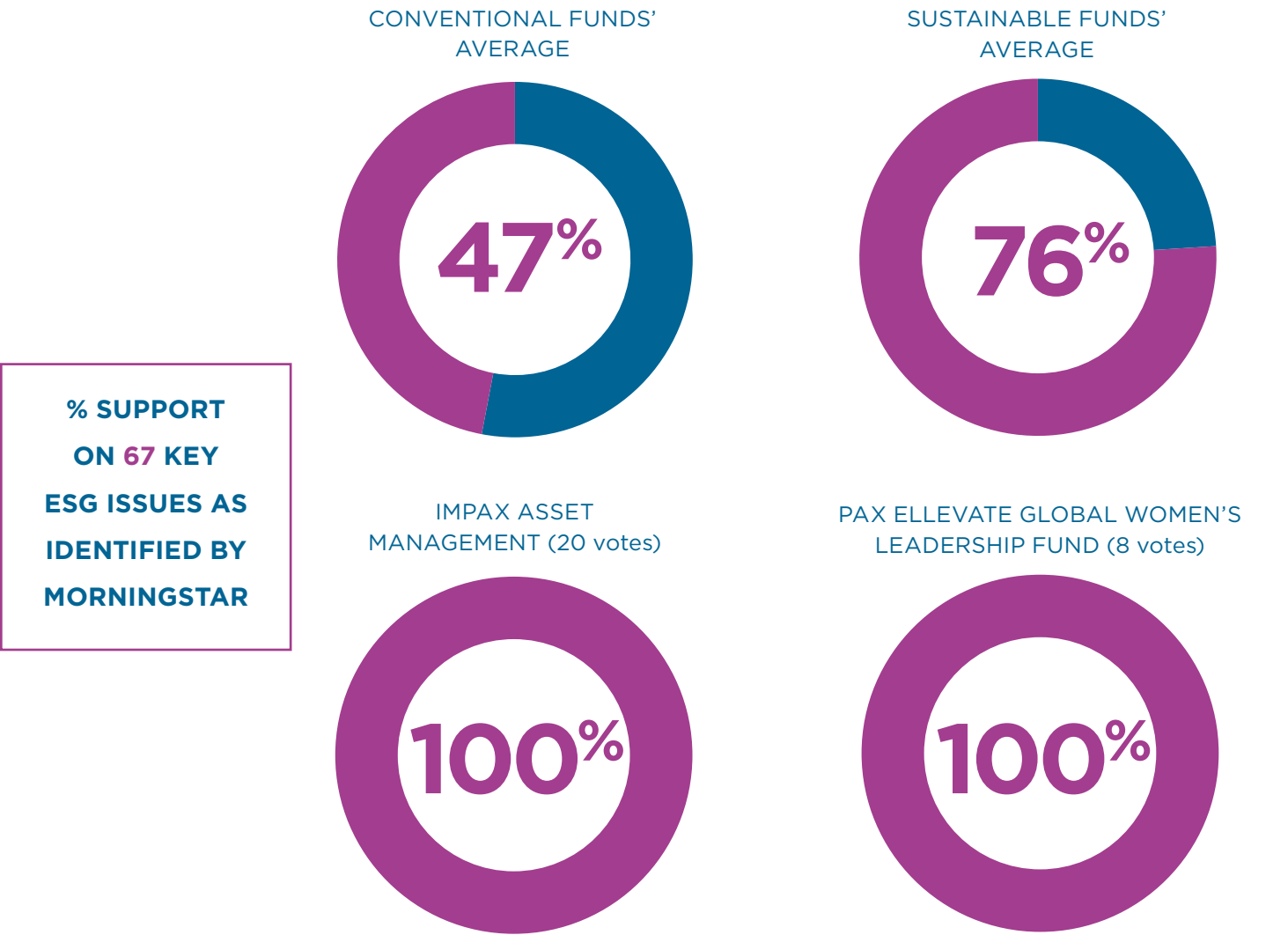
**Pax World Funds co-filed this proposal. Trillium Asset Management was the lead filer.*

PROXY VOTING

For more than 30 years, we have used proxy voting to make our shareholders’ voices heard. We vote 100% of our proxies on numerous issues in a way that is consistent with our gender and broader Environmental, Social & Governance (ESG) criteria.

Across all Pax World Funds, we vote against board slates that include no women or minorities (the latter applies to U.S. companies only) and against nominating committee members on boards that include less than three women. During the most recent proxy season, Impax voted against directors at 175 companies due to insufficient gender diversity.

In Morningstar’s **2020 proxy voting report**,⁸ Impax’s support for key ESG resolutions exceeded the conventional funds average and sustainable funds average by wide margins:



One of the key ESG resolutions identified by Morningstar was Pax World Fund’s gender pay equity disclosure request to Oracle, which received 35.8% overall support and an estimated 64% of independent shareholder support excluding inside ownership (founder and chief technology officer Larry Ellison owned 34.7% of Oracle’s shares).

In ShareAction’s **Voting Matters 2020** report, Impax’s voting record ranked 1st out of 60 of the world’s largest asset managers on 102 shareholder resolutions on climate change, climate-related lobbying, and social issues.

You can learn more about our [proxy voting guidelines](#) and access the Pax World Funds proxy history on our website.

PRI ASSESSMENT

As a signatory to the UN Principles for Responsible Investment (PRI), Impax receives an annual Assessment Report that demonstrates how we have progressed in our implementation of the Principles year-on-year and relative to peers.

Impax scored A+ for our overarching approach to responsible investment in the 2020 PRI survey and a mix of A+ and A ratings in equity and fixed income categories. Impax outperformed the median score from peers in all categories in which we were rated. Read the full report [here](#).



IMPAX ASSET MANAGEMENT

A+



DISCLOSURES

Under normal market conditions, the Fund is expected to be fossil fuel free — not invested in securities of companies that derive revenues or profits from exploration, production, refining or processing of thermal coal, oil or gas, or significant (more than 5%) of revenues or profits derived from storage, distribution or power generation from the same. Additional details are available here: <https://impaxam.com/what-is-fff>

² Julie Gorte, “The Financial Impact of Diversity,” Impax Asset Management, July 16, 2020. Julie Gorte, “Evidence of Women’s Positive Role in Climate Solutions Grows,” Impax Asset Management, March 9, 2021. Additional gender research relating to these benefits of gender diverse leadership can be found at Impax’s website <https://impaxam.com/investment-philosophy/sustainable-investing/gender-research/>.

³ MSCI ESG Intangible Value Assessment (IVA) provides research, ratings and analysis of companies’ financially material risks and opportunities arising from environmental, social and governance factors. Companies are rated by MSCI ESG analysts on a seven point scale of ‘AAA- CCC’ relative to the standards and performance of their industry peers. The MSCI ESG IVA ratings provide a signal to investors of the extent to which a company is well-positioned to manage the financially material risks and opportunities arising from key ESG trends.

⁴ The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World (Net) Index consists of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. Performance for the MSCI World Index is shown “net”, which includes dividend reinvestments after deduction of foreign withholding tax.

⁵ The Morningstar Sustainability Rating measures how well the companies in a fund’s portfolio manage their environmental, social and governance (ESG) risks and opportunities relative to the fund’s peers. First, a Morningstar Portfolio Sustainability Score™ ranging from 0 to 100 is derived from an asset-weighted average of the underlying company ESG scores quarterly. Next, scored funds are rated monthly: The top 10% receive 5 globes (High), the next 22.5% receive 4 (Above Average), the next 35% receive 3 (Average), the next 22.5% receive 2 (Below Average), and the bottom 10% receive 1 (Low). Sustainalytics provides company-level analysis used in the calculation of Morningstar’s Sustainability Score. A higher score indicates that a fund, on average, has more of its assets invested in companies that score well according to the Sustainalytics methodology. For details, visit <http://morningstar.com/company/sustainability>. © 2021 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Sustainability Score for the Pax Ellevest Global Women’s Leadership Fund as of 3/31/2021 is 20.58. Percent Rank in Category is 19 and Sustainability Rating is 4 globes as of 5/31/2021. Sustainalytics provides company-level analysis used in the calculation of Morningstar’s Sustainability Score.

⁶ The Morningstar Low Carbon Designation is given to portfolios with low carbon risk scores and low levels of fossil fuel exposure. These portfolios must have a Carbon Risk Score below 10 and Fossil Fuel Involvement below 7% of assets, based on an average of the portfolios over the trailing 12 months. Data is based on long positions only. Carbon metrics as of 3/31/2021. Based on 99% of AUM for the Pax Ellevest Global Women’s Leadership Fund.

⁷ Source: Morningstar Research, Sustainable Fund Proxy Votes Show a Range of Support for ESG Measures, Jackie Cook, Jon Hale, Ph.D., CFA, December 2020. Conventional funds defined by Morningstar as funds offered by the 20 largest U.S stock fund managers. Sustainable funds include open-end and exchange-traded funds available in the U.S. that are tagged as “sustainable investments” by Morningstar.

As of 6/30/2021, Becton, Dickinson & Co was 0.2%, Johnson & Johnson was 1.5%, PNC Financial Services Group (PNC) was 0.3% of the Pax Ellevest Global Women’s Leadership Fund. Becton, Dickinson & Co was 0.9% of the Pax Sustainable Allocation Fund. Becton, Dickinson & Co was 2.0% of the Pax Large Cap Fund. Becton, Dickinson & Co was 1.9% of the Pax Global Opportunities Fund. Johnson & Johnson was 2.0%, PNC Financial Services Group (PNC) was 0.1% of the Pax U.S. Sustainable Economy Fund. Holdings subject to change.

Before investing in Pax World Funds, you should carefully consider the investment objectives, risks, charges and expenses. For this and other important information about the fund, please obtain a fund prospectus by calling 800.767.1729 or visiting www.impaxam.com. Please read it carefully before investing.

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 does not take defensive positions in declining markets. The Fund's performance would likely be adversely affected by a decline in the Index. Investments in emerging markets and non-U.S. securities are generally less liquid and less efficient than investments in developed markets and are subject to additional risks, such as risks of adverse governmental regulation, intervention and political developments. There is no guarantee that the objective will be met and diversification does not eliminate risk. The investment techniques and decisions of the investment adviser and the Fund's portfolio manager(s), including the investment adviser's assessment of a company's ESG profile when selecting investments for the Fund, may not produce the desired results and may adversely impact the Fund's performance, including relative to other Funds that do not consider ESG factors or come to different conclusions regarding such factors.

An investment in Pax World Funds involves risk, including loss of principal.

Impax Asset Management LLC is investment adviser to Pax World Funds.

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