Sustainable, Responsible and Impact Mutual Fund and ETF Chart

Fund Profile:
Pax MSCI EAFE ESG Leaders Index Fund - Individual Investor

General Fund Information

Ticker: PXINX

Assets under management (AUM): $637.01M (in US$ millions)

General Fund Type: International, Global, Foreign

Specific Sizes or Types of Investments: Equity

Financial Objective: Long term growth of capital

Specific ESG Focus: Pax World offers a unique investment approach it calls Sustainable Investing – the full integration of environmental, social and governance (ESG) criteria into investment analysis and decision making. By combining rigorous financial analysis with equally rigorous ESG analysis, Pax World portfolio managers seek to identify companies that are leaders in their industries, are better at managing risk, meet positive standards of corporate responsibility and focus on the long term. The inclusion of ESG criteria in the Pax World investment process results in an increased level of scrutiny that helps portfolio managers identify well-managed companies and construct portfolios that they believe have better long-term investment prospects. Environmental Pax World environmental criteria include such issues as air and water emissions, recycling and waste reduction, use of clean and renewable energy, climate change initiatives, and other policies and practices focused on attaining and promoting environmental sustainability. Social Pax social criteria examine companies from three different perspectives -- workplace and supply chain issues, product integrity and community involvement. Governance Pax governance criteria include such issues as executive compensation; board structures; and actions and charters aimed at protecting the interests of stakeholders. In every criterion, Pax seeks companies that disclose policies, implementation programs, and performance.

To invest, call: 800-767-1729

Fund Institution Information

Institution Name:
Pax World Funds

Mutual Funds Description: Established in 1971, Pax World is a recognized leader in sustainable investing. The Pax World sustainable investing approach fully integrates analysis of macroeconomic and market trends, fundamental security-specific financial data, environmental, social and governance (ESG) factors, and disciplined portfolio strategies. Our efforts are focused on building investment portfolios comprised of well-managed, forward-thinking companies that are leaders in their industries, are focused on the long term, can anticipate and mitigate risk, and that embrace high standards of corporate responsibility.

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Account Minimums

Minimum Account: $1000
Minimum IRA: --

Methodology

Screening Venue: In-house and outside

Screening Party: Pax World Sustainability Research Department; MSCI ESG Research

Screening Database Used: --

Screening Process: MSCI’s ESG research framework generates an analysis and rating of each company’s management of its environmental, social, and governance performance. The rating criteria address a company’s ESG performance in the context of five categories, covering key corporate stakeholders. The categories are: 1) environment, 2) community and society, 3) employees and supply chain, 4) customers including the quality and safety record of a company’s products, and 5) governance and ethics. MSCI applies its proprietary ESG rating framework to each company by selecting the ESG rating criteria most relevant to each firm. To evaluate a company, analysts review more than 500 data points and score more than 100 indicators.

Proxy Voting Information

Proxy Voting Guidelines or Policies: Open external link in new window
Proxy Voting Records: Open external link in new window

Specific Screening Information by Category

Environment

- **Climate / Clean Technology**: Combination of Positive and Restricted/Exclusionary Strategies - MSCI ESG Research considers clean energy, climate change and environmentally beneficial products and services, among others, in its evaluation process. In addition, Pax World is supportive of public policy initiatives that promote climate change mitigation/awareness and sustainable solutions and we may also engage certain companies held in the Fund on these issues through our various shareholder advocacy initiatives.

- **Pollution / Toxics**: Combination of Positive and Restricted/Exclusionary Strategies - MSCI ESG Research considers pollution prevention, hazardous waste, recycling, regulatory violations and emissions in the evaluation of each issuer.

- **Other Environmental**: Combination of Positive and Restricted/Exclusionary Strategies - Regarding environmental issues more broadly, the issuers that are included in the Fund are rated by MSCI ESG Research, which considers a wide range of environmental issues, including clean energy, climate change, environmentally beneficial products and services, ozone depleting chemicals, agricultural chemicals, pollution prevention, hazardous waste, recycling, regulatory violations, environmental management systems and emissions. In addition, Pax World may also engage certain companies held in the Fund on these issues through our various shareholder advocacy initiatives, including proxy voting, management dialogue and public policy initiatives, among others.

Social

- **Community Development**: Combination of Positive and Restricted/Exclusionary Strategies - As part of its analysis, MSCI ESG Research considers charitable and innovative giving, investment controversies, support for education and housing, volunteer programs and products that benefit the economically disadvantaged.

- **Diversity & Equal Employment Opportunity**: Combination of Positive and Restricted/Exclusionary Strategies - MSCI ESG Research’s social ratings consider executive and board diversity, discrimination, gay and lesbian
policies and women and minority contracting. Pax World also addresses gender diversity-related issues through our various shareholder advocacy initiatives, including proxy voting, shareholder resolutions, direct management dialogues and public policy initiatives, among others.

- **Human Rights**: *Combination of Positive and Restricted/Exclusionary Strategies* - MSCI ESG Research™s social ratings consider labor rights and relations with indigenous peoples as part of its evaluation process.
- **Labor Relations**: *Combination of Positive and Restricted/Exclusionary Strategies* - MSCI ESG Research™s social ratings consider work/life benefits, employee health and safety, retirement benefits, union relations, cash profit sharing, employee involvement, workforce reductions, labor rights.
- **Conflict Risk**: *No Screens*

**Governance**

- **Board Issues**: *Combination of Positive and Restricted/Exclusionary Strategies* - Pax World views transparency and accountability to all stakeholders as being an indicator of good corporate governance. MSCI ESG Research™s governance ratings consider issues related to political accountability, public policies and transparency and structure issues, including ownership and accounting. Moreover, Pax World primarily addresses these issues through our proxy voting guidelines, which are publicly available on our website and are applied to the holdings in the Fund.
- **Executive Pay**: *Combination of Positive and Restricted/Exclusionary Strategies* - Pax World believes executive compensation facilitates the alignment of the interests of managers with those of shareholders. Pax World primarily addresses executive and director compensation issues through our proxy voting guidelines, which are publicly available on our website and are applied to the holdings in the Fund. Additionally, MSCI ESG Research™s ratings consider executive compensation issues as part of its corporate governance analysis.

**Products**

- **Alcohol**: *No Screens*
- **Animal Welfare**: *No Screens*
- **Defense/Weapons**: *No Investment* - Pax avoids investing in companies that manufacture or sell weapons, including firearms.
- **Gambling**: *No Screens*
- **Tobacco**: *Restricted/Exclusionary Investment*

**Other**

- **Shareholder Engagement - Private Dialogue**: Conducted with companies on environmental, social or governance issues

**Performance Data**

*Data provided by: Bloomberg* - Information current as of January 31, 2020

Year-to-date rate of return: -1.99%

1-year rate of return: 13.75%

3-year rate of return: 7.78%

5-year rate of return: 4.64%

10-year rate of return: 3.28%

Previous year rate of return: 22.78%

Management fee: 0.55%

Expense ratio: 0.8%

Standard deviation: 10.8%

Benchmark used: MSCI EAFE ESG Index

**Disclaimer**: You should consider Pax World Funds’ investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 800.767.1729 or