

Fund Overview

A conservatively managed equity and fixed-income portfolio offering long-term investors disciplined asset allocation and ESG integration.

Investment Process

Asset allocation, bottom-up security selection

Investment Style

Balanced

Benchmark

Blended Index¹

Asset Allocation (%)⁹

	Fund
Equity	64.1
Pax Large Cap Fund ^k	40.4
Pax ESG Beta [®] Dividend Fund ^k	7.2
Pax Mid Cap Fund	8.0
Pax MSCI EAFE ESG Leaders Index Fund	8.5
Fixed Income	35.2
Pax Core Bond Fund ^k	35.2
Cash & Other	0.7
Total	100.0

^kInception 12/16/16

Portfolio Investment Team

Chris Brown, Chief Investment Strategist, Portfolio Manager

Anthony Trzcinka, CFA[®], Portfolio Manager

Nathan Moser, CFA[®], Portfolio Manager

Phil McManus, Equity Analyst

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Performance and Portfolio Update

- The Fund outperformed its benchmark (60% S&P 500 Index/ 40% Bloomberg Barclays U.S. Aggregate Bond Index)¹ during the second quarter.
- From an asset allocation perspective, the Fund's overweight to equities and underweight to bonds helped performance as equities outperformed bonds during the period. The allocation to non-U.S. Developed Market stocks contributed positively to performance as the MSCI EAFE Index² significantly outperformed the S&P 500 Index³. Conversely, the Fund's allocation to the Pax ESG Beta Dividend Fund negatively impacted relative performance, as dividend yield and earnings quality factors were not in favor. Larger-cap stocks were dominant contributors to performance, outperforming both mid-cap and small-cap stocks during the period.
- The Pax Large Cap Fund outperformed the S&P 500 Index largely due to strong stock selection within Consumer Staples, Consumer Discretionary and REIT⁴ sectors. The Pax Mid Cap Fund outperformed the Russell Mid Cap Index⁵. The Pax ESG Beta Dividend Fund trailed the Russell 1000 Index⁶ as dividend yield and earnings quality factors underperformed. The Pax MSCI EAFE ESG Leaders Index Fund modestly underperformed the MSCI EAFE Index. The Pax Core Bond Fund underperformed the Bloomberg Barclays U.S. Aggregate Bond Index⁷ primarily due to weak security selection within the corporate bond sector. The Pax Core Bond Fund did not hold as many longer-dated corporate securities as the Index, which outperformed the Fund's shorter-dated corporate bonds.
- In our view, U.S. equities continue to look expensive from a valuation perspective, as the forward price-to-earnings ratio⁸ on the S&P 500 Index is well above its 25-year average. We have also not seen any fiscal policy changes come out of Washington in terms of tax cuts, infrastructure spending or a new healthcare program. This fiscal policy uncertainty could potentially weigh on the market in the near-term. We believe non-U.S. Developed markets look attractive in relation to the U.S. market, especially based on valuation measures. We have increased our exposure to non-U.S. Developed Markets during the period.

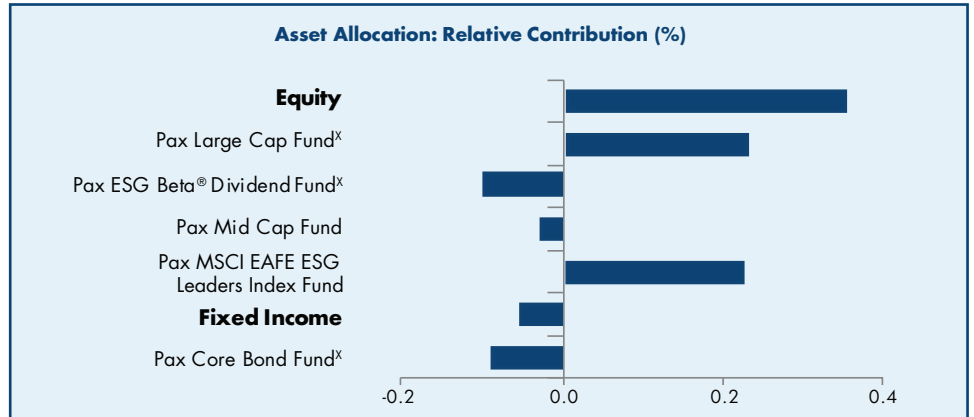
Returns (%)¹⁰

As of June 30, 2017

	Average Annual Returns (%)						
	3-month	YTD	1-year	3-year	5-year	10-Year	Since Inception
Pax Balanced Fund							
Individual Investor Class (PAXWX) (Inception Date: 8/10/71)	2.64	6.27	9.56	4.78	8.32	3.96	8.31
Institutional Class (PAXIX) (Inception Date: 4/2/07) ¹¹	2.70	6.37	9.82	5.05	8.59	4.22	8.37
Blended Index	2.43	6.48	10.33	6.85	9.64	6.40	—
Lipper Mixed-Asset Target Allocation Growth Funds Index ¹²	3.15	8.38	13.67	5.48	9.78	5.45	—

Performance data quoted represents past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain performance for the most recent month-end call 800.767.1729 or visit www.paxworld.com.

Effective 5/1/2017, the Pax Balanced Fund Net Annual Fund Operating Expense ratio including acquired Fund Fees and net fee waivers or reimbursements for the Institutional Share Class is 0.63%, the Total Annual Fund Operating Expense ratio including acquired Fund Fees and gross fee waivers or reimbursements is 0.68%. The Pax Balanced Fund Net Annual Fund Operating Expense ratio including acquired Fund Fees and net fee waivers or reimbursements for the Individual Investor Share Class is 0.93%, the Total Annual Fund Operating Expense ratio including acquired Fund Fees and gross fee waivers or reimbursements is 0.92%.



Past performance is no guarantee of future results.

^x The Inception date of the Pax Large Cap Fund, Pax ESG Beta Dividend Fund and Pax Core Bond Fund is December 16, 2016.

RISKS: The Pax Balanced Fund is a fund-of-funds. The funds' allocations may change due to market fluctuations and other factors. 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. Yield and share price will vary with changes in interest rates and market conditions. Investors should note that if interest rates rise significantly from current levels, bond fund total returns will decline and may even turn negative in the short term. Mortgage related securities tend to become more sensitive to interest rate changes as interest rates rise, increasing their volatility. There is also a chance that some of the fund's holdings may have their credit rating downgraded or may default. Investments in smaller companies generally will experience greater price volatility. Emerging market and international investments involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles, economic or political instability in other nations or increased volatility and lower trading volume.

- ¹ The Blended Index is comprised of 60% S&P 500 Index and 40% Bloomberg Barclays Capital U.S. Aggregate Bond Index. One cannot invest directly in an index.
- ² The MSCI EAFE (Europe, Australasia, Far East) (Net) Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. The MSCI EAFE Index consists of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. Performance for the MSCI EAFE Index is shown "net," which includes dividend reinvestments after deduction of foreign withholding tax. One cannot invest directly in an index.
- ³ Standard & Poor's 500 Stock Index is an unmanaged index of large capitalization common stocks.
- ⁴ REIT stands for Real Estate Investment Trust. A REIT is a type of security that invests in real estate through property or mortgages and often trades on major exchanges like a stock.
- ⁵ The Russell Midcap Index measures performance of the mid-capitalization sector of the US equity market. The index is a float-adjusted, capitalization-weighted index of the 800 smallest issuers in the Russell 1000 Index. The index is a subset of the Russell 1000 Index and serves as the underlying index for the Russell Midcap Growth and Value Index series. The Index is reconstituted annually. One cannot invest directly in any index.
- ⁶ The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies, as measured by market capitalization. It is a subset of the Russell 3000 Index, which measures the largest 3,000 companies. The Russell 1000 Index is comprised of over 90% of the total market capitalization of all listed U.S. stocks. One cannot invest directly in an index.
- ⁷ Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are U.S. domestic, taxable and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities and asset-backed securities. One cannot invest directly in an index.
- ⁸ The price-to-earnings ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings.
- ⁹ Average from 3/31/17 to 6/30/17.
- ⁹ Figures include reinvested dividends, capital gains distributions, and changes in principal value.
- ¹¹ The performance information shown for Institutional Class shares represents the performance of the Individual Investor Class shares for the period prior to Institutional Class inception (April 2, 2007). Expenses have not been adjusted to reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, the returns would be higher than those shown. Institutional Class shares average annual return since April 2, 2007 is 4.66% (annualized).
- ¹² The Lipper Mixed-Asset Target Allocation Growth Funds Index tracks the results of the 30 largest mutual funds in the Lipper Mixed-Asset Target Allocation Growth Funds Average. The Lipper Mixed-Asset Target Allocation Growth Funds Average is a total return performance average of mutual funds tracked by Lipper, Inc. whose primary objective is to conserve principal by maintaining, at all times a mix of between 60%-80% equity securities, with the remainder invested in bonds, cash, and cash equivalents. The Lipper Mixed-Asset Target Allocation Growth Funds Index is not what is typically considered to be an "index" because it tracks the performance of other mutual funds rather than changes in the value of a group of securities, a securities index or some other traditional economic indicator. One cannot invest directly in an index.



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