



SPOTLIGHT ON ENGAGEMENT GENDER DIVERSITY

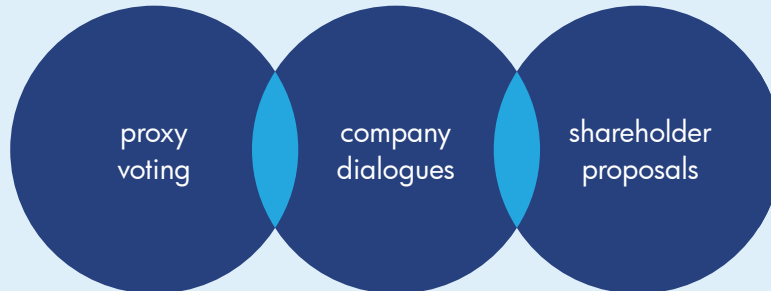


For Tomorrow®

Pax World is a leader in investing in women, advancing pay equity and promoting greater gender diversity on corporate boards.

In our view, engaging with companies on the issue of gender diversity is not only the right thing to do, but the smart thing to do. With the business case for gender diversity well-established, our engagements focus on persuading companies to take advantage of the benefits associated with gender diversity, including improved decision-making, oversight and financial performance.¹

We strive to impact corporate behavior through multiple strategies including:



Proxy Voting: Say No to All Male Boards

Our proxy voting guidelines stipulate that we vote against all male board slates and we generally will not support a full board slate unless it includes at least two women. Since 2010, Pax World has voted against over 1,000 board slates due to insufficient gender diversity, including more than 120 during the most recent proxy season. After voting, we write to these companies explaining the reason for our opposition and suggest steps the companies can take to put policies and practices in place to achieve greater board diversity.



¹Vivian Hunt, Dennis Layton and Sara Prince, "Diversity Matters," McKinsey & Company, November 24, 2014.

An investment in the Pax World Funds involves risk, including loss of principal. You should consider a fund's 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 visiting www.paxworld.com. Please read it carefully before investing.



Pax World has filed gender diversity proposals at **8 companies** in the past five years, and **5 companies** have subsequently announced new female directors.

Shareholder Proposals: Board Diversity

Over the last five years, Pax World has filed board diversity proposals asking eight companies to adopt gender diversity policies for their boards. Each of these proposals yielded meaningful dialogues with the companies that ultimately resulted in changes to their corporate governance documents specifying gender diversity as a criterion in all director searches, which we believe is a crucial step towards achieving a diverse and inclusive board.

Companies at which Pax World has filed diversity proposals

| Proxy Year | Company | Outcome |
|------------|--------------------------------|---|
| 2016 | Cognizant Technology Solutions | Amended governance policies |
| 2015 | eBay, Inc.* | Amended governance policies; female director appointment in 2015 |
| 2014 | Territorial Bancorp | Amended governance policies |
| 2014 | Oasis Petroleum | Amended governance policies |
| 2013 | Stericycle, Inc. | Amended governance policies; female director appointment in 2015 |
| 2013 | Hospitality Properties Trust | Amended governance policies; female director appointment in 2015 |
| 2012 | Riverbed Technology** | Amended governance policies; female director appointment in 2013 |
| 2012 | Roper Technologies | Amended governance policies; two female director appointments in 2015 |

Shareholder Proposals: Pay Equity

Companies that are committed to pay equity are better positioned to achieve greater gender diversity and attract and retain talented employees. Pax World has filed or co-filed nine shareholder resolutions on pay equity, requesting the disclosure of the results of pay equity assessments. So far, three of these companies, Apple, Amazon and eBay, publicly disclosed the results of their gender pay assessments and signed the White House Equal Pay Pledge committing to gender pay equity. Additionally, five companies have committed to enhancing their pay equity disclosure. We also wrote to 32 technology companies held across our funds, asking for information on how they are addressing pay equity. This effort opened dialogues with several companies. And in February 2016, Pax Ellevest Management, a joint venture of Pax World and Ellevest Asset Management, sent a petition for rulemaking to the SEC urging the agency to require public companies to disclose gender pay ratios on an annual basis.

Companies at which Pax World has filed pay equity proposals

| Proxy Year | Company | Outcome |
|------------|--|--|
| 2016 | Apple, Inc | Disclosed results of gender pay assessment |
| 2016 | eBay, Inc.*** | Disclosed results of gender pay assessment |
| 2016 | Amazon.com*** | Disclosed results of gender pay assessment |
| 2017 | Bank of New York Mellon, Qualcomm, Inc. and Verizon Communications | Enhanced pay equity disclosure |
| 2017 | Goldman Sachs Group, Inc. and AT&T Inc. | Committed to enhancing pay equity disclosure |
| 2017 | Mastercard*** | In process; outcome pending |

As of 3/31/17, Roper Technologies, Inc. was 0.9% of holdings of the Pax ESG Beta Quality Fund and 1.5% of holdings of the Pax World Global Environmental Markets Fund. eBay Inc. was 0.1% of holdings of the Pax Balanced Fund and 0.3% of the Pax Core Bond Fund. Hospitality Properties Trust was 0.5% of holdings of the Pax ESG Beta Quality Fund. Cognizant Technology Solutions was 0.7% of the Pax ESG Beta Quality Fund. Apple, Inc. was 3.4% of the Pax ESG Beta Quality Fund, 2.0% of the Pax ESG Beta Dividend Fund, 5.4% of the Pax Large Cap Fund, 2.4% of the Pax Balanced Fund and 0.4% of the Pax Core Bond Fund. Amazon was 2.3% of the Pax ESG Beta Quality Fund, 2.0% of the Pax ESG Beta Dividend Fund, 3.8% of the Pax Large Cap Fund and 1.7% of the Pax Balanced Fund. Goldman Sachs Group, Inc. was 0.9% of the Pax Balanced Fund, 1.0% of the Pax Core Bond Fund, 2.1% of the Pax Large Cap Fund. Bank of New York Mellon Corp. was 1.0% of the Pax Large Cap Fund, 0.5% of the Pax Balanced Fund and 0.4% of the Pax Core Bond Fund. Qualcomm, Inc. was 0.1% of the Pax Balanced Fund, 0.1% of the Pax ESG Beta Quality Fund and 0.7% of the Pax ESG Beta Dividend Fund. Verizon Communications was 2.5% of the Pax ESG Beta Quality Fund, 1.5% of the Pax ESG Beta Dividend Fund, 1.1% of the Pax Ellevest Global Women's Index Fund, 0.2% of the Pax Balanced Fund and 0.4% of the Pax Core Bond Fund. AT&T Inc. was 1.4% of the Pax Ellevest Global Women's Index Fund, 1.7% of the Pax ESG Beta Quality Fund, 2.1% of the Pax ESG Beta Dividend Fund, 1.9% of the Pax Large Cap Fund, 0.9% of the Pax Balanced Fund. Mastercard was 1.6% of the Pax ESG Beta Quality Fund, 0.5% of the Pax ESG Beta Dividend Fund, 0.6% of the Pax Ellevest Global Women's Index Fund and 0.03% of the Pax Balanced Fund. Oasis Petroleum, Stericycle, Inc., Territorial Bancorp, and Riverbed Technology were not held by any Pax World Fund. Holdings are subject to change.



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*Lead filers of this resolution were Trillium Asset Management & the New York State Common Retirement Fund
 **Company became private in April 2015
 *** Lead filer of this resolution was Arjuna Capital
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