

News Release

PAX WORLD LAUNCHES ESG SHARES®

BRINGING SUSTAINABLE INVESTING TO THE ETF MARKET

Three New ETFs will be based on FTSE KLD Global Sustainability Indexes and FTSE ET50 Index

PORTSMOUTH, N.H.///May 19, 2010/// Pax World Management LLC, investment adviser to Pax World Funds (Pax World) and a leader in the field of Sustainable Investing, announced today the launch of ESG Shares®, the first family of exchange traded funds (ETFs) devoted exclusively to a Sustainable Investing approach. The new ETFs will track indexes that integrate environmental, social and governance (ESG) factors into index design and construction.

The three ESG Shares® ETFs to be launched by Pax World are:

- **ESG Shares® North America Sustainability Index ETF** (Ticker: NASI), launched today, seeks to track the performance of the FTSE KLD North America Sustainability Index, a broadly diversified, sector-neutral index of American and Canadian companies with superior ESG performance as rated by KLD Research & Analytics, Inc.
- **ESG Shares® FTSE Environmental Technologies (ET50) Index ETF** (Ticker: ETFY), which Pax World intends to launch on May 21, seeks to track the performance of the FTSE ET50 Index, comprised of the 50 largest pure-play* environmental companies globally by full market capitalization. The companies in the index have a primary business focus in the areas of alternative energy and energy efficiency, water technologies and pollution control and waste technologies and resource management.
- **ESG Shares® Europe Asia Pacific Sustainability Index ETF** (Ticker: EAPS), which Pax World intends to launch on May 25, seeks to track the performance of the FTSE KLD Europe Asia Pacific Sustainability Index, a broadly diversified, sector-neutral index of companies in Europe and Asia-Pacific with superior ESG performance as rated by KLD Research & Analytics, Inc.

ESG Shares® are at the intersection of two powerful investment trends: The increasing popularity of ETFs, and the fast-growing interest in Sustainable Investing – the integration of environmental, social and governance (ESG) factors into investment analysis and decision making. According to Pax World, ESG Shares® will offer all the advantages typically associated with ETFs, but with the added value of being driven by a Sustainable Investing methodology.

“We are very excited to be offering the first family of ETFs focused exclusively on sustainability indexes constructed by our partners, KLD Indexes and FTSE,” said Pax World President and CEO Joe Keefe. “Now there are ETF solutions for investors who seek to capture the potential returns associated with superior ESG or sustainability performance.”

“Due to increased demand from retail and institutional investors, we created the North America and Europe Asia Pacific Sustainability indexes to satisfy the need for broadly diversified portfolios of global companies that have demonstrated commitment to high standards of environmental, social and governance performance,” added Head of KLD Indexes at RiskMetrics Group Thomas Kuh. “We are pleased to be working with Pax World, a recognized leader in the field of Sustainable Investing, to bring these innovative ETFs to the marketplace.”

“We are delighted to be working with Pax World on their first group of exchange traded funds devoted exclusively to sustainable investing,” commented FTSE Group Chief Executive Mark Makepeace. “This partnership demonstrates FTSE’s commitment to responsible investment and to provide investors with a greater range of ETFs enabling them to access new market opportunities and diversify portfolios.”

To learn more about ESG Shares®, visit www.esgshares.com.

ABOUT PAX WORLD MANAGEMENT LLC

Pax World Management LLC, the investment adviser to ESG Shares®, is a recognized leader in Sustainable Investing, the integration of environmental, social and governance (ESG) factors into investment analysis and decision making. Pax World launched the financial industry’s first socially responsible mutual fund in 1971. Today, in addition to ESG Shares®, Pax World offers a family of Sustainable Investing mutual funds across a range of asset classes.

For more information, visit www.paxworld.com

ABOUT KLD INDEXES

KLD Indexes is a division of RiskMetrics Group, Inc. (“RiskMetrics Group”), a leading authority on sustainability research and indexes. A majority of the top 50 institutional money managers worldwide ranked on the basis of assets under management by Pensions & Investments use RiskMetrics Group’s products and services to integrate environmental, social and governance factors into their investments.

Today, more than \$9 billion is invested in investment vehicles based on KLD indexes.

The issuers in KLD indexes may be clients of RiskMetrics Group or its affiliates, or the parents of, or affiliated with, clients of another RiskMetrics Group affiliate.

For more information, visit www.kldindexes.com

ABOUT FTSE GROUP

FTSE Group (“FTSE”) is a world-leader in the creation and management of indexes. With offices in Boston, Beijing, London, Frankfurt, Milan, Hong Kong, Madrid, New York, Paris, San Francisco, Sydney, Shanghai and Tokyo, FTSE works with investors in 77 countries globally. It calculates

and manages a comprehensive range of equity, fixed income, real estate and investment strategy indices, on both a standard and custom basis. The company has collaborative arrangements with a number of stock exchanges, trade bodies and asset class specialists around the world.

FTSE indexes are used extensively by investors world-wide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds.

For more information, visit www.ftse.com

ESG Shares are new and have limited operating history. An investment in ESG Shares® involves risk, including loss of principal. You should consider ESG Shares' investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 888.729.3863 or by visiting www.esgshares.com. Please read it carefully before investing.

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. Investing in non-diversified funds generally will be more volatile and loss of principal could be greater than investing in more diversified funds. 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. ESG Shares' sustainable investing policies may inhibit the funds' ability to participate in certain attractive investment opportunities that otherwise would be consistent with their investment objectives and other principal investment strategies.

"FTSE®" is a trade mark of the London Stock Exchange plc and The Financial Times Limited and is used by FTSE International Limited ("FTSE") under license. "KLD®" is a trade mark of KLD Research & Analytics, Inc. ("KLD"), a wholly owned subsidiary of Institutional Shareholder Services, which is a wholly owned subsidiary of RiskMetrics Group, Inc.

The FTSE KLD North America Sustainability Index (NASI), FTSE KLD Europe Asia Pacific Sustainability Index (EAPSI) and FTSE ET50 Index (ET50) (the "Indexes") are calculated by FTSE or its agent. RiskMetrics Group ("RMG") provides the environmental, social and governance research and implements the selection criteria of the NASI and the EAPSI, and while RMG exercised due care in compiling its research and in its selection, RMG makes no warranty, express or implied regarding accuracy, completeness or usefulness, and assumes no liability, with respect to the NASI and/or the EAPSI. Impax Asset Management provides the environmental, social and governance research and participates in the implementation of the selection criteria for the ET50. Neither FTSE nor its licensors nor RMG sponsor, endorse or promote this product and are not in any way connected to it and do not accept any liability in relation to its issue, operation and trading.

**"Pure-play" refers to companies that have a core business in the development and deployment of environmental and related technologies as determined by the index provider.*

All intellectual property rights in the index values and constituent lists vest in FTSE and KLD. Pax World Management LLC has obtained full license from FTSE and KLD to use such intellectual property rights in the creation of this product.

Distributed by ALPS Distributors, Inc. FTSE International Limited, KLD Research & Analytics, RiskMetrics Group and Impax Asset Management are not affiliated with ALPS Distributors, Inc.

Copyright © 2010 ESG Shares. All rights reserved.

CONTACT: Jane Munkelwitz
Solomon McCown
617.933.5021
jmunkelwitz@solomonmccown.com