

Pax MSCI North America ESG Index ETF (NASI)

As of December 31, 2011

ETF Overview

- The Fund seeks investment returns that closely correspond to the price and yield performance, before fees and expenses, of the MSCI North America ESG Index
- Index constituents reflect high Environmental, Social and Governance (ESG) - ranked companies by sector as rated by MSCI ESG Research
- The Fund provides investors interested in incorporating ESG factors the opportunity to invest in a passively managed index fund comprised of highly-ranked ESG companies as determined by MSCI



MSCI North America ESG Index

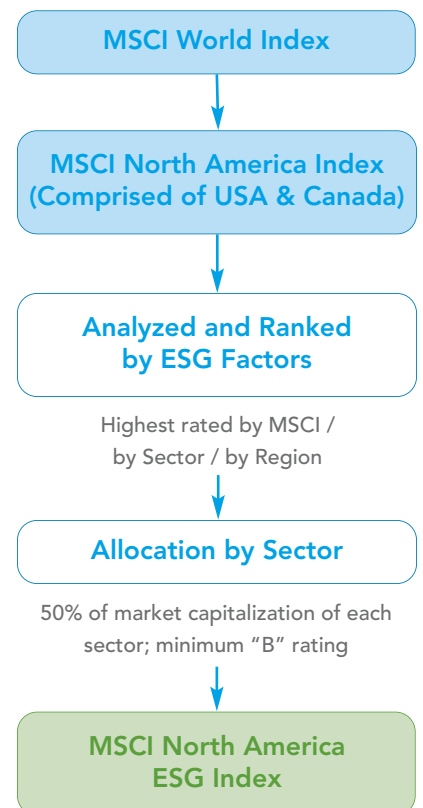
The MSCI North America ESG Index is a free float-adjusted market capitalization weighted index designed to measure the performance of equity securities of issuers organized or operating in North America that have high ESG ratings relative to their sector and industry peers, as rated by MSCI. The Index targets sector weights that reflect the relative sector weights of the MSCI USA ESG Index and the MSCI Canada ESG Index.

MSCI's ESG research framework evaluates companies' ESG characteristics and derives corresponding ESG scores and ratings. Companies are ranked by ESG score against their sector and regional peers to determine their eligibility for the ESG indices. MSCI identifies the highly-rated companies in each peer group to meet the float adjusted market capitalization sector and regional targets.

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. As of May 30, 2011 the MSCI World Index consisted of the following 24 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the U.S.

The MSCI North America Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of North America.

Investors cannot invest directly in an index.

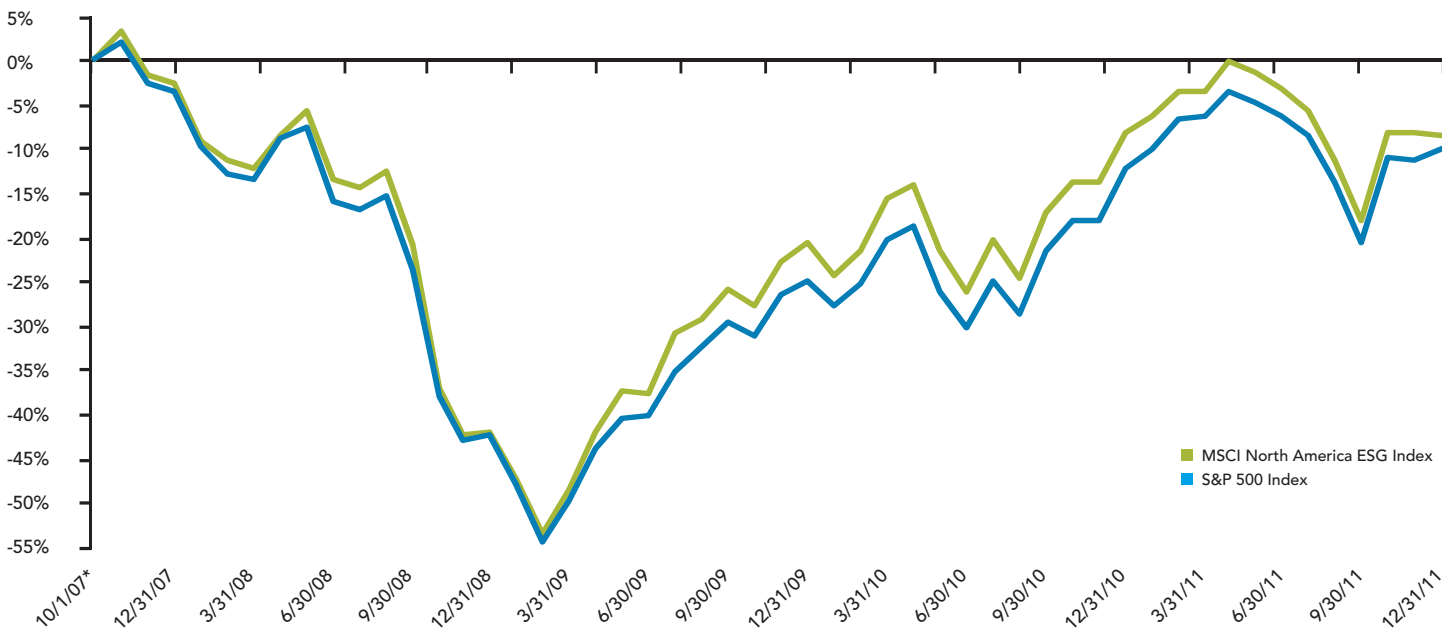


Index is reconstituted annually in August, and reviewed quarterly in February, May and November.

MSCI North America ESG Index

Cumulative Index Returns as of 12/31/11

The MSCI North America ESG Index has outperformed the S&P 500 Index by 1.61% from 10/1/07 to 12/31/11



*MSCI North America ESG Index inception: 10/1/07

Past performance is no guarantee of future results.

Index Characteristics as of 12/31/11

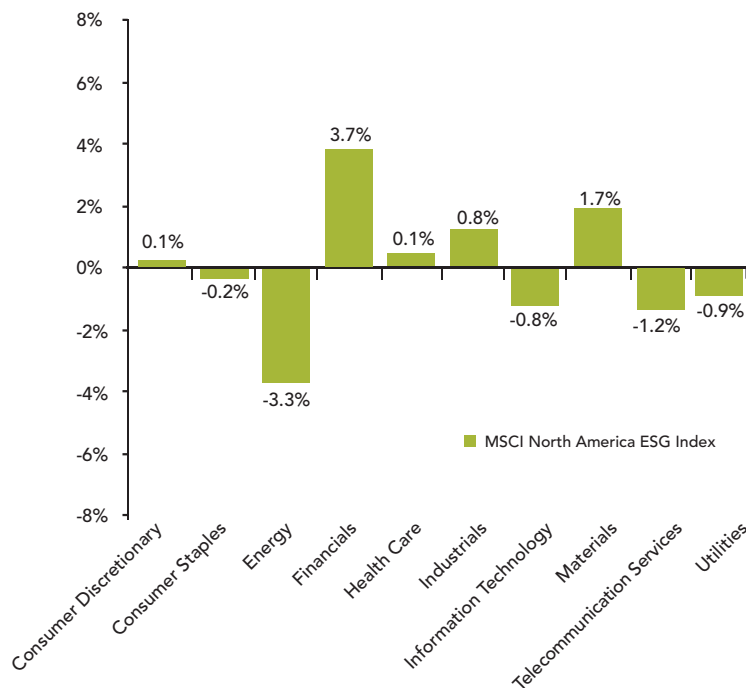
The MSCI North America ESG Index and the S&P 500 Index have similar profiles and portfolio statistics.

| | MSCI NORTH AMERICA ESG INDEX ¹ | S&P 500 INDEX ¹ |
|--------------------------|--|-------------------------------|
| # of Securities | 362 | 500 |
| Est. 3-5 Year EPS Growth | 10.90 | 10.95 |
| Wtd. Avg. Mkt. Cap. | \$61.1B | \$96.4B |
| P/E Ratio | 14.66 | 13.82 |
| P/E FY1 Est 1 | 13.23 | 18.08 |
| Price/Book | 2.22 | 2.03 |
| Price/Sales | 2.69 | 2.45 |
| ROE | 20.67 | 21.23 |
| ROA | 8.85 | 9.83 |
| Alpha | 0.05 | — |
| Beta | 1.03 | 1.00 |
| Standard Deviation | 20.63 | 19.92 |
| R-Squared | 98.66 | 100.00 |
| Upside Capture | 105.73 | 100.00 |
| Downside Capture | 100.84 | 100.00 |

¹Risk statistics are based on Index inception: 10/1/07

Active Sector Weight Variance (%) as of 12/31/11

Sector allocation of the MSCI North America ESG Index approximates the sector allocation of the S&P 500 Index.



The S&P 500 Index is an unmanaged index of large capitalization common stocks. Investors cannot invest directly in an index.

Portfolio Characteristics

Top 10 Holdings (%) as of 12/31/11

| COMPANY | ETF |
|----------------------|-----|
| IBM | 3.6 |
| Procter & Gamble Co. | 3.0 |
| Johnson & Johnson | 3.0 |
| Google Inc., Class A | 2.7 |
| Intel Corp. | 2.1 |
| Merck & Co., Inc. | 1.9 |
| PepsiCo, Inc. | 1.7 |
| Oracle Corp. | 1.7 |
| McDonald's Corp. | 1.7 |
| Cisco Systems, Inc. | 1.6 |

Holdings are subject to change.

Key Fund Facts

| | |
|---------------------|------------------------------|
| Fund Ticker | NASI (NYSE Arca) |
| IOPV | NASI.IV |
| Cusip | 70422P107 |
| Total Expense Ratio | 0.50% |
| Inception Date | May 18, 2010 |
| Fund Manager | Pax World Management LLC |
| Underlying Index | MSCI North America ESG Index |
| Index Inception: | October 1, 2007 |
| Bloomberg Symbol | TNASIU |
| Website | www.esgshares.com |
| Phone | 888.729.3863 |

Performance (%) as of 12/31/11

| | 3 MONTH | YTD | 1 YEAR | 3 YEAR | SINCE INCEPTION* |
|---|---------|-------|--------|--------|------------------|
| Pax MSCI North America ESG Index ETF | | | | | |
| Before Tax NAV | 10.80 | -1.03 | -1.03 | — | 6.29 |
| Market Value | 10.90 | -1.10 | -1.10 | — | 6.49 |
| After Tax Total Return Pre-Liquidation | 10.49 | -1.46 | -1.46 | — | 5.80 |
| After Tax Total Return Post-Liquidation | 7.02 | -0.67 | -0.67 | — | 5.08 |
| MSCI North America ESG Index | 10.91 | -0.33 | -0.33 | 14.52 | 7.01 |
| MSCI North America Index | 11.12 | 0.55 | 0.55 | 14.69 | 9.09 |
| S&P 500 Index | 11.82 | 2.11 | 2.11 | 14.11 | 9.62 |

Total annual operating expenses for Pax MSCI North America ESG Index ETF are 0.50%.

*Since inception returns as of 5/18/10. MSCI North America ESG Index inception is 10/1/07.

All total return figures assume reinvestment of dividends and capital gains at net asset value; actual returns may differ. Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance data may be higher or lower than actual data quoted. For most recent month-end performance information visit www.esgshares.com

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

DEFINITIONS: **Pre-liquidation** represents returns after taxes on distributions, assuming shares were not sold. **Post-liquidation** represents the return after taxes on distributions and the sale of fund shares. **Market price returns** are based on the midpoint of the bid/ask spread at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times. **Basis Point** is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. **Correlation** is a statistical measure of how two securities move in relation to each other. **IOPV**, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day. **Estimated 3-5 Year EPS Growth** is the projected estimate of earnings per share growth over 3-5 years. **Weighted Median Market Capitalization** is the weighted midpoint figure. **Price-to-Earnings Ratio (P/E Ratio)** is a valuation ratio of a company's current share price compared to its per-share earnings. **P/E FY1 Est 1** is a measure of the price-to-earnings ratio using forecasted earnings for one year for the P/E calculation. **Price-to-Book Ratio (Price/Book)** is a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. **Price-to-Sales Ratio (Price/Sales)** is a ratio for valuing a stock relative to its own past performance, other companies or the market itself. **Return on equity (ROE)** is the amount of net income returned as a percentage of shareholders equity. ROE measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Return on Assets (ROA)** is an indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. **Alpha** is a coefficient measuring risk-adjusted performance, considering the risk due to the specific security, rather than the overall market. A positive alpha reflects relative risk-adjusted performance of the Fund versus its benchmark. **Beta** reflects the sensitivity of a Fund's return to fluctuations in its benchmark; a beta for a benchmark is 1.00; a beta greater than 1.00 indicates above average volatility and risk. **Standard Deviation** measures a fund's variation around its mean performance over time. Higher figures indicate greater volatility. **R-Squared** is a measure of how much a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). The measure ranges from 0, which means that the Fund's performance bears no relationship to the

DEFINITIONS, continued: performance of the benchmark, to 100, which means that the Fund's performance is perfectly synchronized with the performance of the benchmark. **Upside Capture** measures an investment manager's overall performance in up-markets and is used to evaluate how well an investment manager performed relative to its index during periods when that index has risen. An upside capture ratio greater than 100 indicates that the investment manager has outperformed its index during up-markets, while upside capture ratio less than 100 indicates that the investment manager has underperformed its index during up-markets. **Downside Capture** measures an investment manager's overall performance in down-markets and is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. A downside capture ratio less than 100 indicates that the investment manager has outperformed its index during down-markets, while downside capture ratio greater than 100 indicates that the investment manager has underperformed its index during down-markets.

About Sustainable Investing

Whether it's investing in clean and efficient energy sources, managing resources more wisely, promoting higher standards of corporate social responsibility or simply focusing on the long-term rather than the short-term, companies everywhere are moving rapidly in the direction of sustainability. That's why we believe investing in companies with higher sustainability or ESG rankings is not only right for our times, but also a smarter way to invest.

MSCI ESG Ratings & Rankings



- The model generates separate Environmental, Social & Governance (ESG) scores for each company
- Each company's ESG performance is expressed as a composite ESG score
- ESG ratings determine peer group rankings for MSCI ESG best-of-class index methodology

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.

The fund described herein is indexed to an MSCI index. The fund or security referred to herein are not sponsored, endorsed or promoted by MSCI or its affiliates, and neither MSCI nor its affiliates bears any liability with respect to any such fund or security or any index on which such fund or security is based. The Prospectus contains a more detailed description of the limited relationship MSCI and its affiliates have with ESG Shares and any related fund. Source: MSCI.