



For over 30 years, Trillium has engaged with companies to encourage them to improve their sustainability practices and change the way they address environmental, social, and governance (ESG) risks. The first half of this report focuses on Trillium's advocacy engagement activity at a strategy level.

PROXY VOTING	SMID	FIRM WIDE
Total Votes Cast	100%	100%
Votes Cast Against Management	63%	59%
Support ESG Proposals	89%	87%
Votes No for Executive Pay Packages	84%	81%

Trillium engaged with **33%** of the Small/Mid Cap Core (SMID) portfolio during the 9/30/15 – 9/30/16 reporting period

ADVOCACY ENGAGEMENT	SMID	FIRM WIDE
Total Engagements	47	490
Total Companies Engaged	23	282
% of Strategy Engaged	33%	-

SHAREHOLDER PROPOSALS	SMID	FIRM WIDE
Total Shareholder Proposals	12	37
Successfully Withdrawn Proposals	11	19
Proposals with Votes Over 20%	1	5

	COMPANY	TOPIC	RESULT	LEAD FILER
ENVIRONMENT	Akamai	Renewable energy	Successfully withdrawn; company commitment to set quantitative renewable energy goals	Trillium
	Church & Dwight	Palm oil	Successfully withdrawn; company commitment to responsibly source palm oil materials that are free of deforestation and human rights impacts	The Sisters of the Sorrowful Mother
	Hologic	GHG emissions	Successfully withdrawn; company commitment to publish GHG reduction goals by September 2016	Trillium
	White Wave	Palm oil	Successfully withdrawn; company commitment to sustainably and responsibly source palm oil	Trillium
SOCIAL	F5 Networks	LGBT Non-discrimination	Successfully withdrawn; company confirmed and publicized their LGBT-inclusive nondiscrimination & EEO policies	Trillium
	First Republic Bank	LGBT Non-discrimination	Successfully withdrawn; company amended its EEO policy to include sexual orientation and gender identity	Trillium
	JB Hunt	LGBT Non-discrimination	54.70%	Trillium
	Men's Warehouse	Minimum wage reform	Successfully withdrawn; company commitment to conduct an environmental and social materiality assessment and issue annual sustainability reports	Trillium
	Nordstrom	Human rights practices	Successfully withdrawn; company commitment to disclose the progress it has made to curtail human rights violations in its supply chain by the end of the second quarter of 2016	Trillium
	Panera	Minimum wage reform	Successfully withdrawn; company commitment to conduct a review of employee benefits, compensation, and wages	Trillium
GOVERNANCE	Palo Alto Networks	Board diversity	Successfully withdrawn; company agreement to institutionalize a commitment to board diversity inclusive of gender, race, and national origin	Trillium
	Stifel Financial	Board diversity	Successfully withdrawn; company committed to update its Board's Audit Committee charter and proxy materials to include responsibility regarding regulatory, legislative, and reputational privacy and data security risks that confront the company	Trillium

Like many investors focused on sustainable and responsible investing (SRI), Trillium's environmental, social, and governance (ESG) criteria attempt to identify the companies best positioned to deliver strong long-term financial performance. Trillium's ESG research is focused on selecting companies that are meeting positive thresholds of performance for ESG issues, such as strong workplace practices, a demonstrated record of producing safe products for consumers, protecting the environment, fair compensation for employees and executives, and respecting and upholding human rights. The following metrics attempt to quantify Trillium's exposure on key ESG issues. These may not reflect all of the criteria Trillium considers for inclusion in our portfolio.

Trillium's Small/Mid Cap Core Strategy is 59% less carbon intense than its benchmark, the S&P 1000

SOCIAL AND GOVERNANCE METRICS	SMID	S&P 1000
Companies with 20% or More Women on the Board*	52%	38%
Companies with 80% or More Board Independence*	54%	53%
Companies with an Independent CEO/Board Chair*	64%	63%
Carbon Disclosure Project Participant *	25%	10%
Average Annual CEO Total Compensation (Millions)**	\$6.9	\$5.1

CARBON FOOTPRINT METRICS*	SMID	S&P 1000
Scope 1 Emissions Metric Tons	209,114	541,806
Total Carbon Emissions Metric Tons	305,945	659,309
Total Carbon Emissions Intensity t/USD million sales	102.01	249.49

Scope 1 Emissions are direct emissions from owned or controlled sources. Total Carbon Emissions measures Scope 1 emissions as well as indirect emissions from the generation of purchased energy.

Carbon Metrics measures carbon emissions and intensity associated with companies held in the Small/Mid Cap Core Strategy. The total carbon emissions intensity, or the carbon footprint, represents the company's most recently reported or estimated (for 12/31/2016) Scope 1 + Scope 2 greenhouse gas emissions normalized by sales in USD, which allows for comparison between companies of different sizes.

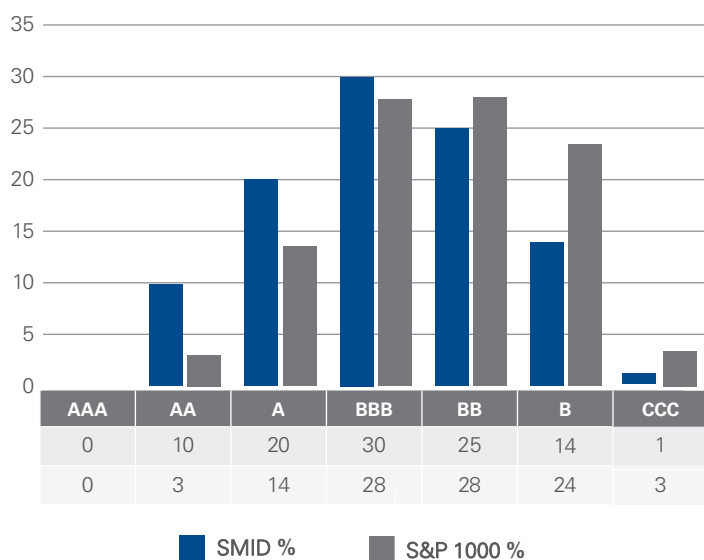
Data represents a weighted average

*Source: MSCI data as of 12/31/16 for the Trillium Small/Mid Cap Core Strategy in comparison to a portfolio replicating the strategy benchmark.

** Source: Bloomberg data as of 12/31/16. Represents 94% of companies held in the Trillium Small/Mid Cap Core Strategy and 95% of S&P 1000.

IMPORTANT DISCLOSURE: The views expressed are those of the authors as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be a forecast of future events or a guarantee of future results. These views may not be relied upon as investment advice. The information provided in this material should not be considered a recommendation to buy or sell any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the authors on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is for informational purposes and should not be construed as a research report.

MSCI IVA Ranking



Represents the weighted average score. Ratings are expressed as letters ranging from AAA, which is the highest grade, to CCC, which is the lowest grade.



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