



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	SO	FIRM WIDE
Total Votes Cast	100%	100%
Votes Cast Against Management	48%	59%
Support ESG Proposals	94%	87%
Votes No for Executive Pay Packages	77%	81%

Trillium engaged with **54%** of the Sustainable Opportunities (SO) portfolio during the 9/30/15 – 9/30/16 reporting period

ADVOCACY ENGAGEMENT	SO	FIRM WIDE
Total Engagements	62	490
Total Companies Engaged	29	282
% of Strategy Engaged	54%	-

SHAREHOLDER PROPOSALS	SO	FIRM WIDE
Total Shareholder Proposals	11	37
Successfully Withdrawn Proposals	7	19
Proposals with Votes Over 20%	2	5

	COMPANY	TOPIC	RESULT	LEAD FILER
ENVIRONMENT	Church & Dwight	Palm oil	Successfully withdrawn; company commitment to responsibly source palm oil materials that are free of deforestation and human rights impacts	The Sisters of the Sorrowful Mother
	Hologic	GHG Emissions	Successfully withdrawn; company commitment to publish GHG reduction goals by September 2016	Trillium
	White Wave	Palm oil	Successfully withdrawn; company commitment to sustainably and responsibly source palm oil	Trillium
	Whole Foods	Food waste	28.00%	Trillium
SOCIAL	Adobe Systems	Workplace diversity	Successfully withdrawn; Company published an expanded section of its website that includes its annual EEO-1 workforce diversity data and provides meaningful disclosures around its strategies aimed at building the pipeline of diverse employee candidates starting in grades K-12; and initiatives focused on attracting and retaining women and underrepresented minorities in its workforce	Trillium
	Chipotle	Minimum Wage reform	Omitted by SEC	Trillium
	Citrix	Workplace diversity	Successfully withdrawn; company committed to several initiatives which include reporting annual EEO-1 workforce diversity data: publishing details, including oversight, of its diversity and inclusion programs, and setting time-bound diversity and inclusion goals by December, 2016	Trillium
	JB Hunt	LGBT Non-discrimination	54.70%	Trillium
	Panera	Minimum Wage reform	Successfully withdrawn; company commitment to conduct a review of employee benefits, compensation and wages	Trillium
GOVERNANCE	Discovery Communications	Board diversity	17.60%	Trillium (with Calvert/Mercy Investment Services)
	Palo Alto Networks	Board diversity	Successfully withdrawn; company agreement to institutionalize a commitment to board diversity inclusive of gender, race, and national origin	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 Sustainable Opportunities Strategy is 70% less carbon intense than its benchmark, the S&P 1500**

SOCIAL AND GOVERNANCE METRICS	SO	S&P 1500
Companies with 20% or More Women on the Board*	62%	65%
Companies with 80% or More Board Independence*	53%	72%
Companies with an Independent CEO/Board Chair*	59%	45%
Carbon Disclosure Project Participant *	58%	70%
Average Annual CEO Total Compensation (Millions)**	\$6.9	\$5.1

CARBON FOOTPRINT METRICS*	SO	S&P 1500
Scope 1 Emissions Metric Tons	221,078	6,390,771
Total Carbon Emissions Metric Tons	564,128	7,591,816
Total Carbon Emissions Intensity t/USD million sales	66.85	221.17

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 Sustainable Opportunities strategy in comparison to a portfolio replicating the strategy benchmark.

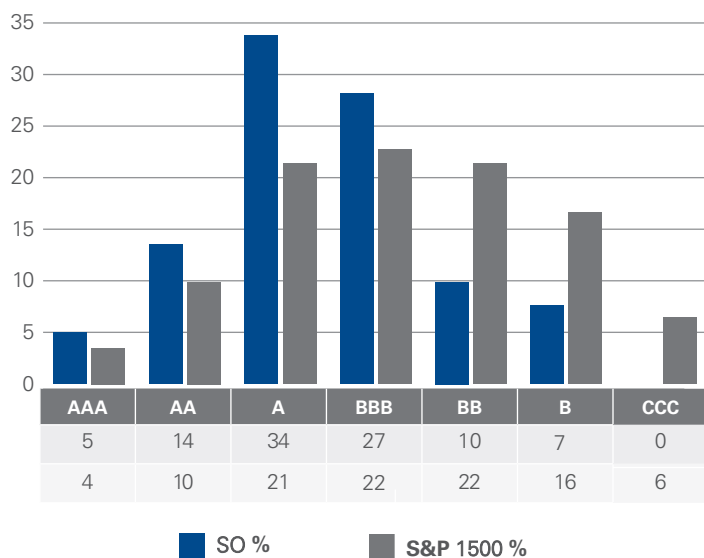
\*\* Source: Bloomberg data as of 12/31/16. Represents 91% of companies held in the Trillium Sustainable Opportunities strategy and 96% of S&P 1500.

**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.



Delivering Sustainable Investments Since 1982<sup>SM</sup>

**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.