

MARCH 2019

# IMPACT ASSESSMENT REPORT

## Sustainable Opportunities Strategy

# 48%

TRILLIUM ENGAGED WITH 48% OF THE SUSTAINABLE OPPORTUNITIES STRATEGY (SO) PORTFOLIO DURING THE 9/30/17-9/30/18 REPORTING PERIOD.

ADVOCACY ENGAGEMENT	SO	FIRM WIDE	SHAREHOLDER PROPOSALS	SO	FIRM WIDE	PROXY VOTING	SO	FIRM WIDE
Total # of engagements*	45	606	Total # of shareholder proposals filed	9	34	Total votes cast	100%	100%
# of companies engaged	28	423	Successfully withdrawn proposals	4	21	Votes cast against management	48%	47%
% of strategy engaged	48%	-	Proposals with votes over 20% **	5	10	Support ESG proposals	91%	88%
						Trillium votes NO for pay packages	92%	97%

\*Engagements include dialogue, sign-on letters, proposals and collaborative and individual efforts, including Trillium-led efforts and other organizational-led efforts. Data from 9/30/17 – 9/30/18 reporting period.

\*\*Includes our shareholder proposal at Facebook which received 48% support, when excluding insiders.

### 2018 Shareholder Resolutions

Generally, companies often will be responsive to shareholder proposals when they receive support in the 20% – 50% range as it is difficult for company leadership to ignore such large pluralities.

	COMPANY	TOPIC	RESULT
ENVIRONMENT	A. O. Smith*	Sustainability reporting	Withdrawn following the company's commitment to publishing its first sustainability report in 2018, and to continuing dialogue on the contents of the report
	J. B. Hunt*	Greenhouse gas reduction	21.44% support
	Middleby*	Sustainability reporting	57.2% support
SOCIAL	Travelers Companies*	Workforce diversity	36.38% support
	Alphabet*	Workforce diversity	Withdrawn following the Board's action in April 2018 to appoint Sundar Pichai to the Executive Committee of the Board – a step toward expanding diversity at the highest governance level
	Starbucks*	Workforce diversity	34.70% support
	Nike*	Sexual misconduct risk	Withdrawn following a commitment from the company to evaluate our request and meet quarterly to discuss the results
GOVERNANCE	LogMeIn*	Board diversity	Withdrawn following commitment to adopting the 'Rooney Rule' whereby at least one candidate representing a diversity of gender, race, ethnicity, age, and/or sexual orientation is included in each new pool of board candidates
	American Waterworks*	Political spending	39.78% support

\*Trillium-led or co-led proposal.

CARBON FOOTPRINT METRICS*	SO	S&P 1500
Scope 1 Emissions (metric tons)	227,714	4,933,949
Total Carbon Emissions (metric tons)	528,835	6,152,007
Total Carbon Emissions Intensity (t/USD million sales)	57.4	191.7

\*Data Source: MSCI ESG

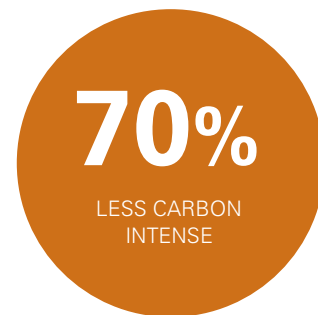
Scope 1 Emissions are direct emissions from owned or controlled sources. Total Carbon Emissions measures Scope 1 emissions as well as indirect emissions from the generation of purchased energy.

Carbon Metrics measures carbon emissions and intensity associated with companies held in the Large Core Strategy. The total carbon emissions intensity, or the carbon footprint, represents the company's most recently reported or estimated (for 12/31/2018) 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.

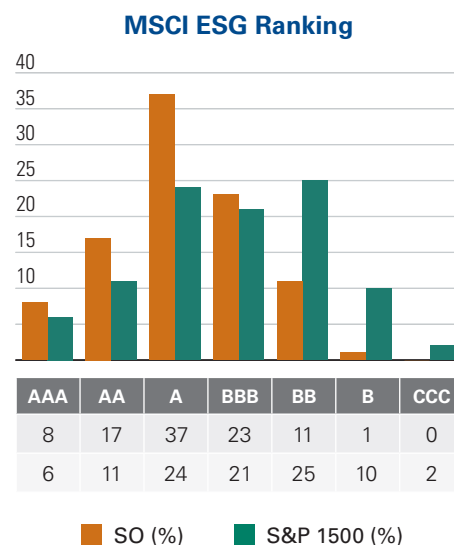
SOCIAL AND GOVERNANCE METRICS	SO	S&P 1500
Companies with 20% or More Women on the Board*	76%	57%
Companies with 80% or More Board Independence*	74%	59%
Companies with an Independent CEO/Board Chair*	67%	64%
CDP Participant*	67%	29%
Average Annual CEO Total Compensation (Million)**	\$14.8	\$9.1

\*Source: MSCI data as of 12/31/18 for the Trillium Sustainable Opportunities Strategy in comparison to a portfolio replicating the strategy benchmark.

\*\* Source: Bloomberg data as of 12/31/18. Represents 100% of companies held in the Trillium Sustainable Opportunities Strategy and 97% held in the S&P 1500.



Trillium's Sustainable Opportunities Strategy is 70% less carbon intense than its benchmark, the S&P 1500.



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.

**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.



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