

Positive Screens

Following an ESG risk-based screening process, analysts evaluate companies to determine those meeting positive thresholds of performance on ESG issues. This review is the primary focus of Trillium's ESG research.

Some of the positive ESG qualities Trillium seeks in a company include:

Environmental

- Produces Carbon/ sustainability reports
- Limits harmful pollutants and chemicals
- Actively lowers greenhouse gas emissions
- Utilizes renewable energy sources

Social

- Pays employees fair wage
- Upholds policies to protect from sexual misconduct
- Encourages diversity
- Supports LGBTQ rights
- Operates an ethical supply chain

Governance

- Strives to have a diverse board
- Employs a CEO which is Independent from board chair
- Pays executives fair wages
- Dedicated to corporate transparency



Negative Screens

Exclude from consideration companies with material involvement in businesses that have higher risk, such as:

- Agricultural Biotechnology
- Coal Mining
- Hard Rock Mining
- Nuclear & Coal Power (* based on % generation capacity)
- Private Prisons
- Tar Sands
- Tobacco
- Weapons & Firearms

Restrict companies with major recent or ongoing controversies in areas such as:

- Animal Welfare
- Environmental
- Governance
- Human Rights
- Product Safety

NOTE: Our risk-based, revenue-driven criteria only eliminate a small portion of the investable universe for each of our strategies. While we still consider this as an important risk-mitigation step, we focus the vast majority of our analytical efforts on using ESG information to help identify the best companies, not simply screen out the worst.

