



Impact Assessment Report

SMALL/MID CAP CORE (SMID) STRATEGY

December 2020

Trillium engaged with **96%** of the Small/Mid Cap Core Strategy portfolio during 2020

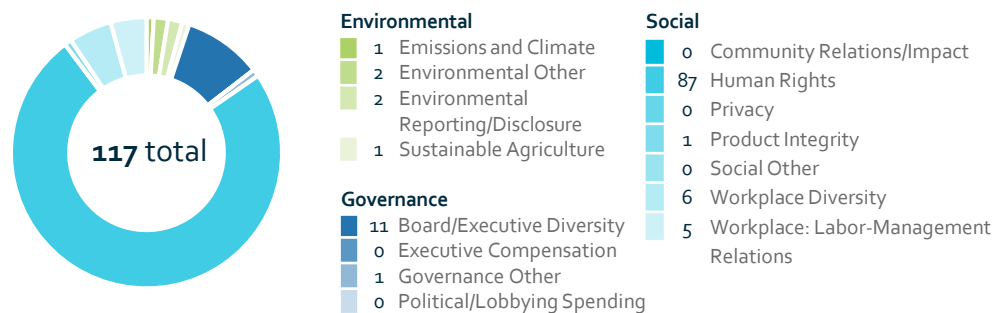
Corporate advocacy includes communications with company executives, correspondence, shareholder proposals, and other tools. Through engagement, and other inputs from the market and civil society, we are able to achieve improvements in corporate policy, performance, and practices. Sometimes this takes the form of withdrawing a shareholder proposal after a commitment to improve is made by the company (referred to as a “successful withdrawal” below). Other times shareholder proposals will go to a vote and companies will generally be responsive to those proposals that receive support in the 20%–50% range as it is difficult for company leadership to ignore such large pluralities. Another way we engage with companies is proxy voting in the best interest of our clients at annual meetings. These votes communicate important information and ESG priorities to the company. The information below is a summary of our advocacy engagement during 2020, including collaborative and individual efforts led by Trillium or other organizations.

Advocacy Engagement	SMID	Firm Wide
Total # of engagements	117	1,059
# of companies engaged	82	821
% of strategy engaged	96%	-

Shareholder Proposals	SMID	Firm Wide
Total # of shareholder proposals	9	28
Successfully withdrawn proposals	7	16
Proposals with votes over 20%	2	8

Proxy Voting	SMID	Firm Wide
Total votes cast	100%	100%
Votes cast against management	56%	51%
Support ESG proposals	75%	80%
Trillium votes NO for pay packages	100%	99%

Advocacy Engagements under Small/Mid Cap Core Strategy (by Category)



Shareholder Proposals under Small/Mid Cap Core Strategy



Trillium’s investment approach goes beyond traditional exclusionary screening, integrating Environmental, Social, and Governance (ESG) factors with fundamental financial analysis to provide meaningful insights into value-creation opportunities and risk profiles. Ultimately, we seek to identify the companies that are best positioned for risk-adjusted, long-term outperformance relative to their peers. The Small/Mid Cap Core strategy invests in small and medium cap companies that are well diversified across economic sectors.

Trillium’s Small/Mid Cap Core Strategy is **35% less carbon intense** than its benchmark, the S&P 1000

Environmental Metrics	SMID	S&P 1000
Total Carbon Emissions (metric tons) ¹	199,620	377,499
Total Carbon Emissions Intensity (t/USD million revenue) ¹	83.4	129.1
CDP Participant ²	29%	11%

Governance Metrics ³	SMID	S&P 1000
Companies with 20% or More Women on the Board	94%	73%
Companies with 80% or More Board Independence	70%	55%
Companies with an Independent CEO/Board Chair	33%	41%
Average Annual CEO Total Compensation (Million) ⁴	\$6.8	\$6.6

86% of companies in Trillium’s Small/Mid Cap Core strategy responded to our proprietary **racial equity study**. In future years we intend to incorporate portfolio-level metrics aimed at assessing racial equity performance.

1. Total Carbon Emissions represents the companies’ most recently reported or estimated Scope 1 (direct emissions from owned or controlled sources) + Scope 2 (indirect emissions from the generation of purchased energy) greenhouse gas emissions. The Total Carbon Emissions Intensity, represents the Total Carbon Emissions normalized by revenue in USD, which allows for comparison between companies of different sizes. Source: ISS ESG - Data represents weighted averages and reflects 100% of the Trillium Small/Mid Cap Core Strategy and 99% of the S&P 1000.
 2. CDP supports companies, cities, states and regions to measure and manage their risks and opportunities on climate change, water security and deforestation. Source: MSCI ESG data as of 12/31/20 for the Trillium Small/Mid Cap Core Strategy in comparison to a portfolio replicating the strategy benchmark.
 3. Source: MSCI data as of 12/31/20 for the Trillium Small/Mid Cap Core Strategy in comparison to a portfolio replicating the strategy benchmark.
 4. Data represents weighted averages and reflects 97% of the Trillium Small/Mid Cap Core Strategy and 97% of the 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.

The Small/Mid Cap Core strategy avoids investing in companies with material involvement in:

- Private Prisons
- Agricultural Biotechnology
- Nuclear Power
- Weapons

The risk-based, revenue-driven criteria above only eliminate a small portion of the investable universe for the strategy. 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 screening out the worst.

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