Fossil Fuel Core

The Fossil Fuel Free Core strategy generated a return of 1.55% net of fees, for the quarter ended September 30, 2021, compared to the benchmark S&P 1500 index, which returned 0.35% during the same period. At quarter-end, the portfolio contained 71 stocks, representing 10 of the 11 economic sectors comprising the benchmark S&P 1500 index, all except fossil-fuel based Energy. While we slightly shifted our positioning, as described below, the portfolio remained, on average during the quarter, most underweight in Communication Services (-1.8% on average) and Energy (-2.6%, as the strategy does not own Energy) and most overweight in Technology (1.8% on average, which includes some renewable energy exposure) and Materials (0.6%).

Optimism based on strong earnings and job growth fueled the U.S. equity markets through July and August, with smaller cap stocks performing particularly well. Later in the quarter, momentum faded, nearly erasing gains from earlier in the quarter, and large cap stocks regained the lead. This optimism faded in September, driven by accumulating concerns including the continuing spread of Delta variant of Covid, persistent supply chain disruptions, an impasse in Congress over the passage of President Biden's Build Back Better Plan and concerns that Congress would fail to raise the debt ceiling. While we conclude that current high inflation readings relate to supply chain disruption rather than indicate the beginning of persistent inflation, the ongoing higher readings have contributed to market anxiety and volatility.

In the third quarter, our trading sought to take advantage of valuation fluctuations and sentiment rotations, as we initiated several positions in companies we had been monitoring for a while. In Health Care, we initiated a position in West Pharmaceutical Services, a manufacturer of highly specialized containers and delivery systems for drugs, including injectable pharmaceuticals. We also purchased life sciences equipment manufacturer Thermo Fisher Scientific, a provider of laboratory equipment, instruments and consumables for biologic and medical research and drug production. To fund these acquisitions, we closed our positions in equipment supplier Becton, Dickinson and Co. and gene sequencing equipment manufacturer Ilumina. In Communications Services, we closed our positon in legacy telecom company Verizon, and reinvested in Disney, which provides diversified media exposure, including its growing streaming business. In Consumer Discretionary, we closed our position in online hotel and travel agency Bookings.com, and invested in online marketplace Etsy. While Etsy had great success during the pandemic lockdown, the stock has underperformed this year while management is substantially improved its operations and demonstrating both the management team's skill and its commitment to ESG. Finally, we opened a positon in solar PV inverter manufacturer SolarEdge Technologies, providing exposure to growing residential and commercial solar installations.

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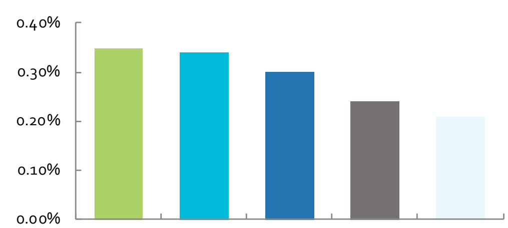
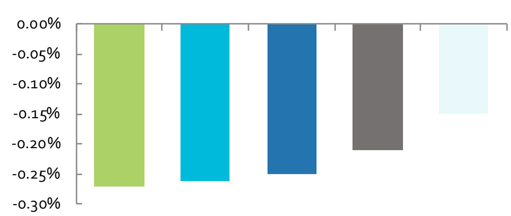
Top 5 Contributors (%)	Average Weight	Portfolio Return	Relative Contribution
Alphabet Inc. Class A	6.18	9.49	0.35
Palo Alto Networks, Inc.	1.35	29.09	0.34
SVB Financial Group	2.06	16.26	0.30
Paycom Software, Inc.	0.85	36.39	0.24
Jones Lang LaSalle Incorporated	0.93	26.93	0.21



Top 5 Detractors (%)	Average Weight	Portfolio Return	Relative Contribution
LHC Group, Inc.	1.20	-21.65	-0.27
IPG Photonics Corporation	1.04	-24.85	-0.26
Lamb Weston Holdings, Inc.	0.91	-23.64	-0.25
PayPal Holdings, Inc.	2.63	-10.73	-0.21
Wolfspeed Inc	0.81	-17.56	-0.15



For the quarter, sector allocation was basically neutral. Within the S&P 1500 benchmark, Industrials and Materials were the weakest sectors, both down nearly 4%, while Financials was the strongest up more than 2.5%. Fossil Fuel Free Core benefitted from lack of exposure to Energy, offset by underexposure to Communication Services.

Stock selection was notably strong this quarter. Selection was strong in Communication Services. Selection was weakest in Health Care.

The biggest detractor in the portfolio this quarter was home health care provider LHC Group (-21.65% during the quarter). LHC has underperformed during periods of higher COVID hospitalizations, due to investor concerns that its near term revenues and profits could be adversely impacted by fewer surgical procedures, as well as fears during the quarter around healthcare worker wage inflation and worker shortage issues. We remain optimistic that the company can manage through these concerns and, helped by home health and hospice agency consolidation, can maintain its Operating Margin. Industrial laser manufacturer IPG Photonics (-24.85%) fell as revenue growth in the important Chinese market slowed, and the continued supply chain disruptions increased lead times and costs. Performance at potato supplier Lamb Weston (-23.64%) was impacted by investor concern around continued headwinds from input cost inflation, including concern about increased potato costs given lower yields in certain growing areas. Payments processor PayPal (-10.73%) reported weaker than expected results, driven by the roll-off of the eBay business. This reaction was driven by a mismatch in expectations, rather than any debilitating secular or company issues. Semiconductor chip manufacturer Cree (-17.56%) again underperformed as investors moved away from green economy-related stocks and into more cyclically leveraged names. Quarterly financials looked mixed for the company (which changed its name to Wolfspeed post quarter), but were not surprising given the company is still in the build-out stage for its next-generation Silicon Carbide factory in upstate New York.

The top contributor for the quarter was Internet search and services giant Alphabet (+9.5%), which continues to benefit from strong e-commerce activity. This trend drove significant pricing and volume improvements in the core search advertising business. In addition, investments in video are driving longer-term monetization at YouTube. Network security company Palo Alto Networks, Inc. (+29%) provided higher guidance for billings, reflecting management's increased confidence in the company's performance. Silicon Valley based SVB Financial Group (+16.26%) saw the successful launch of their new Technology Investment Banking group, with several high-profile outside hires. Performance has been further boosted by the bank's high relative interest rate sensitivity as the clarity of potential rate hikes timing improves with recent signals from the Fed. Cloud-based human capital management provider Paycom Software (+36.39%) was a strong performer in the quarter on the back of excellent operating performance and financial results, as the company continues to meet and beat elevated expectations for market share gains and profitability. Margins also continue to impress, which is driving significant upside to free cash flow and ROIC.

We anticipate a number of cross currents during the last quarter of 2021. At the beginning of October, Congress continued to exhibit dysfunction, kicking the can down the road by temporarily funding the government and increasing the debt limit. President Biden's Build Back Better agenda will likely face severe pruning before passage, potentially cutting out the investments in children, families, soft infrastructure, and healthcare that would support economic growth for years to come. The will and ability to create policies to enable this country to seriously combat climate change are also in question. The economic boost from extraordinary relief policies adopted in response to the Covid pandemic is fading, with Federal outlays for income security already ended, and Federal Reserve tapering set to begin by early 2022. Year over year comparisons for corporate profit growth will become more challenging, now that the reopening has been in progress for over one year. The percentage of people vaccinated is rising slowly, but the substantial as-yet-unvaccinated population remains vulnerable to new viral strains, and children under twelve are not yet eligible for vaccination, presenting a still-substantial barrier to resumption of normal work patterns. We remain committed to our long-term focus and investment in high-quality and sustainability-centered companies seeking to meet the challenges of this year of recovery and transition, and beyond. Our belief in the importance of ESG is unabated, as we are convinced more than ever of the importance of integrating beyond-financial environmental, social and governance concerns into our investment decisions.

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