



MSCI ESG Research analyzed the carbon-related characteristics of the Trillium Sustainable Opportunities Strategy in comparison to a portfolio replicating a market benchmark. In addition to assessing the carbon footprint of the Strategy, the analysis also leveraged an extensive set of carbon risk management and exposure metrics, from fossil fuel reserves to clean technology investments.

TRILLIUM SUSTAINABLE OPPORTUNITIES STRATEGY

Benchmark S&P 1500
Date of holdings 30-Sep-2015
Date of analysis 30-Sep-2015

Assessing the carbon footprint of a portfolio is the first step in addressing the investment implications of climate change. MSCI ESG Research defines portfolio carbon footprint as the total carbon emissions of a portfolio per million dollars invested, drawing on scope 1 and 2 emissions data.

- Direct GHG emissions (Scope 1) occur from sources that are owned or controlled by the company, for example,

emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.

- Indirect GHG emissions (Scope 2) accounts from the generation of purchased electricity consumed by the company.

Footprinting, however, applies only one lens, whereas additional metrics provide deeper insight into climate risk and opportunity.

CARBON FOOTPRINT

The Carbon footprint of the Sustainable Opportunities Strategy is 28.5 tons of CO₂e per million dollars invested, which is 81% lower than its benchmark, the S&P 1500 Index.

	CARBON FOOTPRINT				
	CARBON EMISSIONS	TOTAL CARBON EMISSIONS*	CARBON INTENSITY	WEIGHTED AVERAGE CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
Sustainable Opportunities Strategy	28.5	48	55.1	55.9	98.1%
S&P 1500	153.9	259	247.3	224.3	99.5%
Sustainable Opportunities Strategy vs. S&P 1500	81%	81%	78%	75%	NA
	t CO ₂ e / \$M invested	t CO ₂ e	t CO ₂ e / \$M sales		Market value

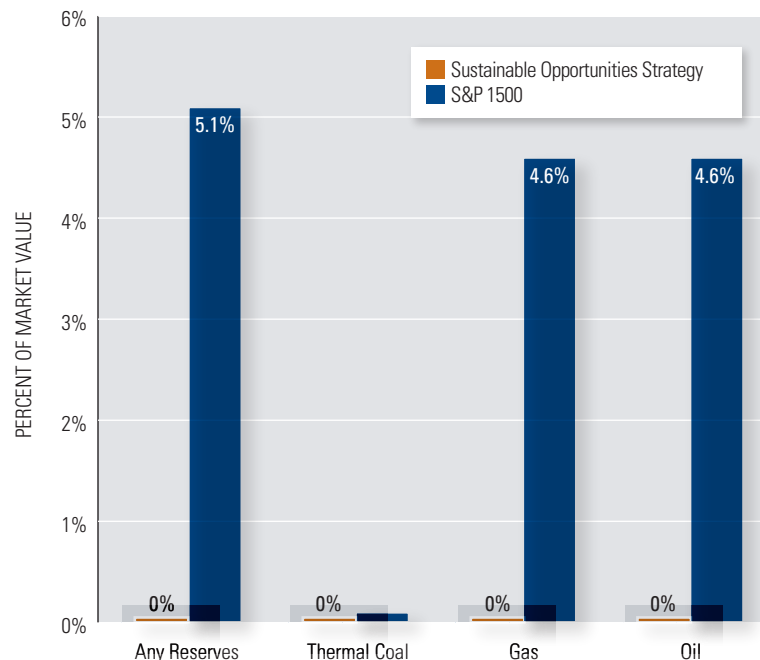
EMISSIONS BY SECTOR

From this chart you can see that the Utilities sector has the highest emissions for the benchmark at 2,098.5 tons of CO₂e per million dollars invested, but in comparison, Utilities sector companies in the Sustainable Opportunities Strategy contribute 98.1% fewer emissions than a portfolio replicating the benchmark.

	Sustainable Opportunities Strategy	S&P 1500	Sustainable Opportunities Strategy vs. S&P 1500
	T CO ₂ E / \$M INVESTED		COMPARISON OF T CO ₂ E / \$M INVESTED
MATERIALS	165.4	755.9	-78.1%
CONSUMER DISCRETIONARY	61.3	37.0	65.6%
CONSUMER STAPLES	41.8	50.0	-16.4%
UTILITIES	40.7	2,098.5	-98.1%
INDUSTRIALS	27.0	146.8	-81.6%
INFORMATION TECHNOLOGY	16.6	14.5	14.1%
TELECOMMUNICATION SERVICES	14.6	43.4	-66.3%
FINANCIALS	10.9	17.6	-37.9%
HEALTH CARE	4.1	8.7	-52.4%
ENERGY	N/A	411.0	N/A
OVERALL	28.5	153.9	-81.5%

FOSSIL FUEL RESERVES

Weight of Holdings Owning Fossil Fuel Reserves



The benchmark is exposed to long term risks associated with stranded assets related to fossil fuel reserves that are still in the ground, but these risks are less of a concern for the Sustainable Opportunities Strategy due its lack of exposure to fossil fuel reserves and the associated potential emissions.

Fossil Fuel Reserves

Based on investment of: \$1,681,543

	THERMAL COAL (TONS)	GAS (MMBOE)*	OIL (MMBOE)
Sustainable Opportunities Strategy	0	0	0
S&P 1500	446	0.003	0.004

*Million barrels of oil equivalent (MMBOE) indicates the amount of energy equal to the amount of crude oil in a 42 gallon barrel.

CLEAN TECHNOLOGY EXPOSURE

The table below provides a list of the top 20 companies in the portfolio that offer clean technology solutions, with breakdowns based on revenue generated from different clean technology themes:

Weight of Companies Offering Clean Technology Solutions

		Sustainable Opportunities Strategy	S&P 1500
THEME	Alternative Energy	9.4%	8.5%
	Energy Efficiency	26.8%	23.5%
	Green Building	5.8%	1.4%
	Pollution Prevention	7.2%	3.1%
	Sustainable Water	2.8%	3.9%
ANY STRATEGY		44.3%	29.6%
ESTIMATED REVENUE GENERATED	>50%–100%	14.8%	1.4%
	>20%–50%	11.4%	2.5%
	>0%–20%	18.1%	25.7%
ANY REVENUE		44.3%	29.6%

44% of the Sustainable Opportunities Strategy (by company weight) offer clean tech solutions, in comparison to approximately 29% for the benchmark. Energy Efficiency, Green Building and Pollution Prevention stand out as themes that are driving this difference.

Top 20 by % of Revenue from Clean Technology Solutions

COMPANY	SECTOR	COUNTRY	PORTFOLIO WEIGHT	CLIMATE CHANGE STRATEGY	REVENUE GENERATED
1 CITRIX SYSTEMS, INC.	Information Technology	USA	1.52%	Energy Efficiency	100%
2 FIRST SOLAR, INC.	Information Technology	USA	1.37%	Alternative Energy	100%
3 SOLARCITY CORPORATION	Industrials	USA	1.32%	Alternative Energy	100%
4 ENERNOC, INC.	Information Technology	USA	0.76%	Energy Efficiency	100%
5 ORMAT TECHNOLOGIES, INC.	Utilities	USA	2.73%	Alternative Energy	85%
6 BORGWARNER, INC.	Consumer Discretionary	USA	1.38%	Energy Efficiency	68%
7 XYLEM, INC.	Industrials	USA	1.33%	Sustainable Water	64%
8 EATON CORPORATION PUBLIC LIMITED COMPANY	Industrials	Ireland	2.19%	Energy Efficiency	63%
9 ABB LTD.	Industrials	Switzerland	2.19%	Energy Efficiency	51%
10 JOHNSON CONTROLS, INC.	Consumer Discretionary	USA	2.06%	Energy Efficiency	49%
11 SALESFORCE.COM, INC.	Information Technology	USA	1.65%	Energy Efficiency	38%
12 INTERFACE, INC.	Industrials	USA	1.55%	Pollution Prevention	32%
13 ACUITY BRANDS, INC.	Industrials	USA	1.84%	Energy Efficiency	25%
14 ITC HOLDINGS CORP.	Utilities	USA	0.72%	Energy Efficiency	25%
15 ADOBE SYSTEMS INCORPORATED	Information Technology	USA	3.58%	Energy Efficiency	23%
16 ARM HOLDINGS PLC	Information Technology	United Kingdom	0.92%	Energy Efficiency	20%
17 ROGERS CORPORATION	Information Technology	USA	2.05%	Pollution Prevention	15%
18 FOREST CITY ENTERPRISES, INC.	Financials	USA	1.54%	Green Building	8%
19 BRANDYWINE REALTY TRUST	Financials	USA	0.52%	Green Building	7%
20 CISCO SYSTEMS, INC.	Information Technology	USA	2.42%	Energy Efficiency	7%

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