Sustainable, Responsible and Impact Mutual Fund and ETF Chart

Portfolio 21 Global Equity Fund

General Fund Information

Ticker: PORTX/

Assets under management (AUM): $494.1M (in US$ millions)

General Fund Type: International, Global, Foreign

Specific Sizes or Types of Investments: Global Equity - Fossil Fuel Free

Financial Objective: Positive Risk-Adjusted Return

Specific ESG Focus: The Fund seeks exceptional companies that are meeting positive thresholds of performance for Environmental, Social and Governance (ESG) issues, such as strong workplace practices, a demonstrated record of producing safe products for consumers, protecting the environment, fair compensation for employees and executives, and respecting and upholding human rights.

To invest, call: 800-853-1311

Fund Institution Information

Institution Name:
Trillium Asset Management

Mutual Funds Description: Trillium Asset Management is the oldest independent investment advisor devoted exclusively to sustainable and responsible investing (SRI). We believe that environmental, social, and governance (ESG) factors play an integral role in the investment process, which can lower portfolio risk and help identify the best-managed companies. For investors seeking ethical and mission-related investing strategies, Trillium is a leader in shareholder advocacy and public policy work. Our goal is to deliver both impact and performance to our private and institutional investors.

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Account Minimums

Minimum Account: $5,000
Minimum IRA: $1,000
Methodology

Screening Venue: In-house
Screening Party: Internal
Screening Database Used: MSCI

Screening Process: We believe certain industries and business activities are too environmentally risky or present social outcomes that are too unattractive to warrant investment consideration. More information about specific screens is below.

Proxy Voting Information

Proxy Voting Guidelines or Policies: [Open external link in new window]
Proxy Voting Records: [Open external link in new window]

Specific Screening Information by Category

Environment

- **Climate / Clean Technology: Restricted/Exclusionary Investment** - The Fund excludes all companies directly involved in the extraction, production and generation of fossil fuels — coal, oil, and natural gas. In addition, the Fund will not invest in companies exclusively involved in the distribution of fossil fuels. The Fund has adopted a fossil fuel free approach given our belief that companies within the fossil fuel sector face and pose unique risks including political, human and environmental health and diminishing access. The Fund believes that these risks are not manageable to the extent required to make them attractive investments. The Fund does not invest in companies exclusively involved in mining or in diversified companies that derive more than a small percentage of revenues from mining or other extractive operations. By nature, the metals and mining industry has enormous ecological impacts. Mining requires access to large volumes of water and generates large volumes of waste. Proper management of waste is often difficult, creating numerous liabilities in the form of spills and releases, surface water runoff, and contamination. Mining is also labor intensive and takes place in challenging environments, often in countries with varying safety standards and in areas that infringe on culturally significant land. Mining companies are also increasingly operating in politically unstable regions where risks of corruption are high. The Fund will make exceptions to this policy for the steel sub-industry, which is categorized within the metals and mining industry. Portfolio 21 may invest in companies that exclusively use recycled steel as their raw material input.

- **Pollution / Toxics: Combination of Positive and Restricted/Exclusionary Strategies** - The Fund does not invest in companies involved exclusively in agricultural biotechnology, or in diversified companies that derive more than a small percentage of revenues from genetic engineering (GE) for agricultural applications. The Fund does not invest in companies involved exclusively in nuclear energy generation, or in diversified companies that derive more than a small percentage of revenues from nuclear energy generation. We do not support nuclear power because we consider the cost of new nuclear installations to be high relative to the environmental, health, and safety risks associated with nuclear reactors and waste. A typical reactor will generate 20-30 tons of high-level nuclear waste annually. There is no known way to safely dispose of this waste, which remains dangerously radioactive until it naturally decays, which according to the U.S. Environmental Protection Agency, is approximately 10,000 years.

- **Other Environmental: Restricted/Exclusionary Investment** - The Fund excludes all companies directly involved in the extraction, production and generation of fossil fuels — coal, oil, and natural gas. In addition, Portfolio 21 will not invest in companies exclusively involved in the distribution of fossil fuels. Portfolio 21 has adopted a fossil fuel free approach given our belief that companies within the fossil fuel sector face and pose unique risks including political, human and environmental health and diminishing access. Portfolio 21 believes that these risks are not manageable to the extent required to make them attractive investments.

Social

- **Community Development: No Investment**
- **Diversity & Equal Employment Opportunity: Combination of Positive and Restricted/Exclusionary Strategies** - We believe that diversity, inclusive of gender and race, is an essential component of sound governance and a critical attribute to a well-functioning organization. The Fund avoids investing in companies with egregious, pervasive or
longstanding patterns of discriminatory behavior. If issues emerge at a company in which we are already invested, we engage with management in dialogue to urge it to take meaningful action against prejudice and discrimination.


- **Labor Relations: Combination of Positive and Restricted/Exclusionary Strategies**

**Governance**

**Products**

- **Alcohol: No Screens**
- **Animal Welfare: Restricted/Exclusionary Investment** - The Fund evaluates companies involved in animal testing on a case by case basis depending on purpose and methods. For instance, pharmaceutical companies are often required by law to conduct animal testing prior to a drug’s approval. In cases where animal testing is not a regulatory requirement, the Fund prefers to invest in companies that do not test on animals. If a company is involved in animal testing, the Fund ensures it is actively working to develop alternatives.
- **Defense/Weapons: Restricted/Exclusionary Investment** - The Fund does not invest in companies involved exclusively in the production of weapons, or in diversified companies that derive more than a small percentage of revenues from weapons production. Warfare and conflict cause widespread human and ecological devastation, therefore we limit our exposure to companies involved in the manufacturing of weapons, as well as military contracting for weapons-related products and services. However, we do invest in some companies that maintain military contracts as we recognize that the military often provides research and development (R&D) funding for new technologies that provide inherent environmental benefit (e.g., renewable energy). These R&D contracts can enable beneficial new technologies to be commercialized for both military and civilian use.
- **Gambling: Restricted/Exclusionary Investment** - The Fund does not invest in companies involved exclusively in the gambling industry, or in diversified companies that derive more than a small percentage of revenues from gambling. Portfolio 21 has chosen to avoid this sector based on the social problems, including crime, prostitution, compulsive gambling behavior, and drug and alcohol abuse that often accompany this sector. Additionally, the Fund views this sector’s business model as unsustainable, wrought with poor business practices, and high exposure to labor management concerns.
- **Tobacco: Restricted/Exclusionary Investment** - The Fund does not invest in companies involved exclusively in the tobacco industry, or in diversified companies that derive more than a small percentage of revenues from the production of tobacco. According to the World Health Organization, tobacco kills up to half of its users and consumption of tobacco products is increasing on a global basis, particularly in low and middle income countries. Cigarette smoke contains a complex mixture of over 4000 chemicals, over 60 known to cause cancer. These chemicals are produced by the burning of tobacco and its additives. Many tobacco companies purchase their tobacco leaves from large suppliers located in emerging markets where labor, safety, and environmental regulations are rarely enforced. The lack of regulations, combined with the labor and resource intensity of this crop, exposes farm workers to pesticide and nicotine poisoning while creating biodiversity and land pollution concerns.

**Other**

- **Shareholder Engagement - Shareholder Resolutions**: Filed or co-filed with companies on environmental, social or governance issues
- **Shareholder Engagement - Private Dialogue**: Conducted with companies on environmental, social or governance issues
- **Description of Shareholder Engagement**: Trillium Asset Management exercises the shareholder’s right to file a shareholder proposal asking companies to implement a specific policy or action. These proposals can come up for a vote at the company’s annual meeting and can be a key rallying point of a larger campaign to change a corporation’s behavior. In some cases, companies agree to make changes in exchange for the withdrawal of the proposals prior to the vote.

**Performance Data**

Data provided by: Bloomberg - Information current as of March 31, 2020

Year-to-date rate of return: -18.76%
1-year rate of return: -7.24%
3-year rate of return: 4.58%
5-year rate of return: 4.68%
10-year rate of return: 6.12%
Previous year rate of return: 28.2%
Management fee: 0.85%
Expense ratio: 1.33%
Standard deviation: 18.2%

Benchmark used: MSCI ACWI | External link

Disclaimer: The fund’s investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and it may be obtained by calling 800-853-1311, or visiting www.portfolio21.com. Read it carefully before investing. Fund holdings and sector allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio 21 Global Equity Fund may invest in foreign securities, which are subject to the risks of currency fluctuations, political and economic instability and differences in accounting methods. Investing in foreign securities is riskier than investing in domestic securities. The fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility. Portfolio 21 Global Equity Fund’s environmental policy could cause it to make or avoid investments that could result in the portfolio underperforming similar funds that do not have an environmental policy. There are no assurances that the fund will achieve its objective and/or strategy. The MSCI ACWI (All Country World Index) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 44 country indices comprising 23 developed and 21 emerging market country indices. An investment cannot be made directly in an index. Returns reported reflect the net total return index, which reinvests dividends after the deduction of withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. Portfolio 21 Global Equity Fund is distributed by Quasar Distributors, LLC.