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## PUBLIC POLICY AND LONG-TERM BUSINESS GROWTH

BY CHERYL SMITH, PH.D., CFA, MANAGING PARTNER, PORTFOLIO MANAGER & JONAS KRON, J.D. SENIOR VICE PRESIDENT, DIRECTOR OF SHAREHOLDER ADVOCACY

This IFBW comes at a pivotal time in the wake of Donald Trump's unexpected electoral college victory in November. As the Administration forms, Congress begins the work of laying out its priorities, and civil society explores its next steps, there are a great deal of unknowns. As we proceed through the year, we will continue to share our thoughts, observations, and priorities with you.

In light of the recent election results, we believe it is as important as ever for our industry to outline a clear policy direction that investors believe would help promote long term sustainability. The SRI community has been supportive of policy efforts specific to many environmental and social issues, such as setting cost to carbon, promoting transparency around conflict minerals, and improving standards for minimizing methane emissions. Some of this progress will be under threat given the priorities of the incoming administration. We will work tirelessly to make continued progress on these issues. That said, we believe that long-termism is one overarching issue, regardless of the administration, where we may be able to make more immediate progress.

One of the great challenges facing the U.S. economy, investors, companies, and policy makers is the significant slowing of economic growth. Why has U.S. economic growth slowed, from an average of 4% in the 1980s and 1990s, to 3% in the early 2000s, to just 2% since the financial crisis? In broad terms, potential economic growth is limited by the rate of population growth and the rate of productivity growth. So while U.S. population growth has slowed slightly over the past 40 years, most of the decline in average growth rates is linked to declining productivity growth. Investors and policy makers should understand that this decline in productivity growth results from low and declining long-term business investment.

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## Thinking Capital<sup>SM</sup>

BY MATT PATSKY, CFA



The 2016 election has made it clear that the work of SRI investors has never been more important. This is particularly true as we continue to present the business argument for the importance of encouraging and protecting diversity. As we are rightly focused on threats to inclusiveness here in the United States, we must also remember the threats around the world. While considerable progress has been made across much of Europe and the Americas toward LGBT equality, several challenges remain in many other places around the world. Over 75 nations continue to keep laws on their books that criminalize consensual same-sex relations.<sup>1</sup>

Many years of academic research have shown the connection between inclusive employee policies and positive shareholder returns. This year, Credit Suisse released a report adding to these studies, demonstrating that companies with strong support for lesbian, gay, bisexual, and transgender (LGBT) employees

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<sup>1</sup> IDAHOT 2016: LGBT Human Rights Around The World. (2016, May 17). Retrieved from <http://blog.amnestyusa.org/africa/idahot-2016-lgbt-human-rights-around-the-world/>

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## JOHN HANCOCK INVESTMENTS LAUNCHES TWO ESG FUNDS WITH TRILLIUM

BY PAUL HILTON, CFA, PARTNER, PORTFOLIO MANAGER

In June 2016, John Hancock Investments announced the launch of two new funds to be sub-advised by Trillium Asset Management.

The John Hancock ESG Large Cap Core Fund and the John Hancock All Cap Core Fund focus on the integration of environmental, social, and governance (ESG) issues with fundamental equity research.

The launch of two new ESG funds by John Hancock represents increasing investor interest in impact and sustainable and responsible investing.

“We are very excited to combine the trusted brand of John Hancock Investments with our history and expertise in ESG investing. John Hancock Investments has one of the most stringent due diligence processes in the industry, and we are proud to have been selected as the manager for these funds,” said Matt Patsky, CEO of Trillium Asset Management.<sup>1</sup>

The John Hancock ESG Large Cap Core Fund invests primarily in large capitalization companies, while the John Hancock ESG All Cap Core Fund invests in companies across the market capitalization spectrum. Trillium selects companies with strong management of ESG risks and opportunities. These areas include, but are not limited to, board diversity, clean tech opportunities, chemical management, life cycle analysis, sustainable agriculture, worker safety, and climate change policy.

“This is an exciting new direction for John Hancock Investments,” said Andrew G. Arnott, President and CEO of John Hancock. “While younger investors have traditionally been one of the driving forces behind the growth in ESG funds, investors of all ages are now recognizing how ESG funds can play an important role in their portfolios. We’re proud to be able to offer portfolios that seek to influence positive change by investing in companies that meet a standard for environmental, social, and governance characteristics. We are also pleased to be working with Trillium Asset Management in this new

<sup>1</sup> John Hancock Investments Launches Two ESG Funds: Trillium Asset Management to Manage John Hancock ESG All Cap Core Fund and John Hancock ESG Large Cap Core Fund. (2016, June 6).

## J.B. HUNT EXPANDS WORKPLACE POLICIES TO PROTECT LGBT EMPLOYEES

BY BRIANNA MURPHY, VICE PRESIDENT, SHAREHOLDER ADVOCACY

Year-long engagement leads to improved Equal Employment Opportunity (EEO) policy explicitly protecting lesbian, gay, bisexual, and transgendered (LGBT) employees.

Despite the Supreme Court’s recognition of same-sex marriage, it is still legal in 27 states to be fired for being gay. For this reason, we ask our portfolio companies to provide LGBT discrimination protections in the absence of state and federal policies. In June 2016, I presented a shareholder proposal at J.B. Hunt’s annual meeting in Lowell, Arkansas asking the company to add sexual orientation and gender identity to its EEO policy. Although J.B. Hunt management advised shareholders to vote against these changes, the proposal received a remarkable 54.7% vote in support. In response, the board immediately appointed an internal task force to study, compile, and identify the practical effects of amending its EEO policy to include sexual orientation and gender identity. We were very pleased to learn that at the July board meeting, the J.B. Hunt directors approved the policy amendment, ultimately providing protections for its 19,000 employees across the country.

We firmly believe that an inclusive work environment for all employees is linked to long-term shareholder value creation. Making this form of policy change is not cost prohibitive; in fact, we believe it may enhance a company’s ability to attract and retain candidates from the widest talent pools. As reported by the Human Rights Campaign, 75% of Fortune 500 companies have included both sexual orientation and gender identity in their EEO policies.<sup>1</sup> Research from the Williams Institute has also shown that LGBT-supportive policies lead to positive business outcomes, lower staff turnover, and increased job satisfaction.<sup>2</sup> Simply put, discrimination is bad for business.

By making these changes, J.B. Hunt joins many other Arkansas businesses (including Wal-Mart, Tyson Foods, and Dillard’s) who have implemented inclusive workplace policies. While our engagement with J.B. Hunt was a

<sup>1</sup> Human Rights Campaign. “Corporate Equality Index 2016.” Washington, DC: Human Rights Campaign, 2016.

<sup>2</sup> Badgett, M. V. Lee, Laura Durso, Angeliki Kastanis, and Christy Mallory. “The Business Impact of LGBT-Supportive Workplace Policies.” The Williams Institute on Sexual Orientation and Gender Identity Law and Public Policy, UCLA School of Law, May 2013.

# PLYMOUTH CHURCH UCC SEATTLE INVESTS IN JUSTICE

BY JANICE RANDALL, DIRECTOR OF COMMUNICATIONS, PLYMOUTH CHURCH UCC

PLYMOUTH   
CHURCH

UNITED CHURCH OF CHRIST

Over many decades, Plymouth Church UCC Seattle and its numerous benefactors have played a vital role in shaping the region's responsible stance on many social issues. Founded in 1869, Plymouth has been a pillar of the Seattle community for 145 years and is the city's oldest Protestant congregation.

From hosting women's suffrage movement events and protecting Chinese laborers in late nineteenth century riots to supporting peace movements and civil rights struggles of the sixties, addressing the ongoing homelessness crisis, advocating for equal rights in the lesbian, gay, bisexual, and transgender (LGBT) community, and challenging issues of economic and racial inequality, Plymouth takes lead and sounds the voice of progressive theology in the Pacific Northwest.

In 2013, Plymouth leaders began investigating how other large churches with significant endowments manage long-term investment sustainability with a critical eye toward environmental, social, and governance (ESG) issues.

According to Plymouth Investment Committee member Gary Magnuson

(member since 1985), the goal is to continue growing the fund — gifted by generous Plymouth members — to best serve Plymouth's mission and purpose, 'to grow people of faith who participate in God's work in the world.' "In practice, this means we seek investments with social benefits like renewable energy, and avoid investments that carry high social costs, like gun manufacturers. It also means we use our voice as investors. This year, Plymouth participated in seven shareholder proposals at major US corporations on the issues of income inequality, greenhouse gas emissions, and political lobbying", says Magnuson.

Overall growth of Plymouth's Endowment also provides Plymouth opportunities to continue giving to both regional and international concerns, up to 5% of the fund, or just over \$1M in 2016. Working collaboratively with city leaders to determine current priorities, Plymouth funds benefit a variety of responsible agencies including affordable housing for homeless and low-income workers, micro lending organizations that offer financial coaching, and an emergency feeding program.

Every other year, Plymouth awards a \$105,000 Change Grant to a local organization to enhance the organization's ability to provide service and/or education on social justice issues. Plymouth's 2015 Change Grant recipient, Village of Hope, addresses white privilege to help 'undo' institutional racism and build relationships through quarterly transformation workshops for hundreds of individuals. Previous Change Grant recipients include Recovery Café, a Seattle organization offering healing and hope for those who have been traumatized by addiction and homelessness, and Mary's Place, providing day and overnight shelter and support for women, children, and families.

Plymouth takes lead and sounds the voice of progressive theology in the Pacific Northwest.

Plymouth Healing Communities, founded by Plymouth Church, receives \$54,000 per year to help provide housing and

care for mentally ill homeless individuals. Throughout the year, funds go toward regional and national United Church of Christ mission projects. Supporting partners in more than 70 countries, ministries fund development projects, feed victims of famine, provide help during natural disasters and support ministries of justice and compassion throughout the United States and abroad.

Plymouth Investment committee member Don Schlosser describes how we look to provide stability and continuity for stewardship of Plymouth's endowment, people and the planet: "Sometimes we have to discuss and decide the main objective. It's a process; Trillium provides team support for our investment committee members." Trillium Investment Manager Jodi Neuman adds, "It's been great to build an environmental/social profile for Plymouth and an honor to work with an organization so involved in social justice. Our goal is to work directly with Plymouth to extend their mission."



# TRILLIUM DEVELOPS NEW PRODUCT SPECIFIC “IMPACT REPORTS”

BY MOLLY MCEACHERN, MARKETING ASSOCIATE

New reports seek to create dialogue around leveraging investments for impact.

The evolution of impact investing has rightly raised expectations for the tracking and measurement of impact. In the sphere of public equities, there are many challenges to assessing the full impact of any portfolio in one particular quantifiable score or rating. Businesses such as Morningstar are capturing media and investor attention through the launch of SRI product ratings which help asset managers, consultants, financial advisors, and individuals assess how well companies and portfolios are managing environmental, social, and governance (ESG) risks.

While we welcome the introduction of new methods to measure impact, we are also cautious around any approach that reduces impact to a single score. However, we believe the proliferation of external ratings creates an opportunity to foster conversations between clients and advisors around different opportunities to position a portfolio to create impact. For that reason, we decided to develop our own proprietary impact reports. We introduced the first “Beta” versions in September 2016 and are sharing them with key partners for

ADVOCACY ENGAGEMENT	LCC	FIRM WIDE
Total Engagements	63	249
Total Companies Engaged	39	188
Successful Engagements	10	30
% of strategy Engaged	53%	-
SHAREHOLDER PROPOSALS	LCC	FIRM WIDE
Total Shareholder Proposals	13	28
Successfully Withdrawn Proposals	8	15
Proposals with Votes Over 20%	5	9
Omitted	-	2
CARBON FOOTPRINT METRICS*	LCC	S&P500
Scope 1 Emissions (metric tons)	95,488,948	549,383,732
Total Carbon Emissions (metric tons)	153,273,995	679,493,693
Total Carbon Emissions Intensity (t/USD million sales)	5,914	19,462
SOCIAL AND GOVERNANCE METRICS	LCC	S&P500
Companies with 20% or More Women on the Board*	51%	52%
Average Annual CEO Total Compensation (Millions)**	\$13.4	\$17.6

Partial listing from LCC report.

feedback. Over the next few months, we plan to make a final version available to investors and advisors.

The reports comprise two sections: 1) proxy voting and shareholder advocacy, and 2) portfolio positioning in relation to key ESG metrics. The first section tracks number of proxy votes, number of resolutions, votes against company management, votes against pay packages, shareholder resolutions, and successfully withdrawn resolutions. The second section tracks the portfolio's carbon footprint, board gender diversity, executive compensation, clean tech exposure, and controversies versus the product benchmark.

In the spirit of ‘what gets measured, gets managed,’ we believe it is important to begin tracking key ESG metrics to accurately demonstrate continued improvement on factors we believe are most significant to evaluating impact. We hope these reports create dialogue around leveraging investments for impact and help clients and advisors determine which strategy best fits their investment goals. 

Scope 1 Emissions are direct emissions from owned or controlled sources. Total Carbon Emissions measures Scope 1 emissions as well as indirect emissions from the generation of purchased energy.

\*Source: MSCI data as of 12/31/15 for the Trillium Large Cap Core Strategy in comparison to a portfolio replicating the strategy benchmark.

\*\* Source: Bloomberg data as of 12/31/15. Represents 96% of companies held in LCC and 97% of the S&P 500.

## Public Policy and Long-Term Business Growth, *continued from page 1*

Corporate profits are robust, but are not being reinvested. The broad structure of capital markets is unchanged since the 1980s, and yet we have less long-term investment in productivity-enhancing technology, equipment, or employee training despite historically high corporate profit margins. What explains the difference? For potential causes for this decline in long-term business investment, we highly recommend the analysis provided by The Center for American Progress (CAP), a Washington, D.C. research group, in its recent report titled “Long-termism or Lemons: The Role of Public Policy in Promoting Long-term Investments.”<sup>1</sup>

From an economic perspective, the typical drivers of business investment are the expected return on an investment project compared to the expected cost of the investment. The more uncertainty about the future, and therefore about the likely return for an investment project, the greater the expected return managers will require over the cost of capital, as the penalties for making an unsuccessful or losing investment are perceived to be much higher than the penalty for forgoing a potentially profitable, but uncertain, investment. This discrepancy is amplified by a structure of incentive compensation that is inappropriately focused on the short-term over the long-term, as managers weigh a potential and highly probable near-term reward against an uncertain, distant,

<sup>1</sup> Jarsulic, M., Duke, B., & Madowitz, M. (2015, October 21). Long-Termism or Lemons. Retrieved from <https://www.americanprogress.org/issues/economy/reports/2015/10/21/123717/long-termism-or-lemons/>

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# INTEGRATING LGBT ISSUES INTO TOTAL PORTFOLIO ACTIVATION

BY CAROLINE WHITE, COMMUNICATIONS MANAGER

This summary is edited and condensed from the original white paper, prepared by the Croatan Institute, with the guidance and close collaboration of Microsoft Corporation, Out Leadership, and Social Justice Fund Northwest.

For many years, investors have found ways to deploy capital and use their voices as shareholders to empower the lesbian, gay, bisexual, and transgender (LGBT) community, primarily by supporting anti-discrimination measures related to sexual orientation and gender identity and expression. Rapid gains over the last decade in areas such as marriage equality reflect a generational change in public attitudes toward LGBT issues. At the same time, a growing number of investors are seeking investments that align with their purpose and values and generate positive social impacts on the world. Many are beginning to ask how to invest in support of LGBT issues across the diverse array of asset classes commonly found in their portfolios — from conventional asset classes such as public equities, fixed income, and cash, to more alternative asset classes such as private equity and venture capital, private debt, and real assets.

Academic researchers and financial practitioners have documented a strong business case for investing in LGBT equality. According to LGBT Capital, the global spending power of LGBT consumers has recently been estimated at \$3.7 trillion in 2015; LGBT household wealth in the U.S. alone is more than \$5 trillion.<sup>1</sup> As studies begin to make



“Companies that adopt inclusive policies for their LGBT employees outperform the market.”

— TODD SEARS, FOUNDER AND PRINCIPAL OF OUT LEADERSHIP

a case for investing in LGBT equality, impact investors are beginning to think holistically about their diversified investment portfolios. By using the Total Portfolio Activation framework, investors can identify opportunities to integrate LGBT issues across the full spectrum of asset classes.

The Total Portfolio Activation approach is rooted in emerging financial research that explores the different

ways investors can have impact across asset classes. Total Portfolio Activation begins with the basic premise that every investment has social and environmental impact. The Total Portfolio Activation framework gives investors both a framework and a set of analytical tools to help mission-driven investors understand the specific impact opportunity set that can be pursued across every asset class in their portfolios.

“We know that integrating LGBT issues into investment decisions generates positive social impacts with growing evidence of positive impact on financial returns,” said Matt Patsky, Trillium’s CEO. The framework of Total Portfolio Activation can help any investor identify opportunities to invest in LGBT equality and envision further ways to advance what remains a fundamentally unfinished agenda. 🔄

**This paper can be downloaded at [trilliuminvest.com](http://trilliuminvest.com)**

<sup>1</sup> LGBT Capital. “Global LGBT (“Lesbian, Gay, Bisexual, Transgender”) annual spending power (LGBT-GDP) estimated to be US\$3.7 trillion in new data from LGBT Capital.” Press Release, August 3, 2015.

**John Hancock**, continued from page 2

venture, as the firm has been at the forefront of socially responsible investing for nearly 35 years.”<sup>2</sup> 🔄

*John Hancock ESG All Cap Core Fund is available in the following share classes: Class A: JHKAX; Class C: JHKCX; Class I: JHKIX; and Class R6: JHKRX.*

*John Hancock ESG Large Cap Core Fund is available in the following share classes: Class A: JHJAX; Class C: JHJCX; Class I: JHJIX; and Class R6: JHJRX.*

<sup>2</sup> Ibid.

**J.B. Hunt**, continued from page 2

success, we recognize that there are still companies that have yet to foster an inclusive working environment. For this reason, we will continue to engage our portfolio companies that lack explicit protections for LGBT individuals. 🔄

The information provided is not a recommendation to buy or sell the securities mentioned. The securities were selected on an objective basis for illustrative purposes and do not represent all of the securities purchased, sold or recommended. It should not be assumed that investments in the securities has been or will be profitable.

## Public Policy and Long-Term Business Growth, *continued from page 4*

and comparatively smaller reward. Instead, managers understandably focus on actions which will reliably bring up short-term stock prices: stock buybacks, which concentrate existing profits on a smaller number of shares, and increased dividends, especially in a very low interest rate environment.

For us at Trillium, and for anyone interested in a healthy U.S. economy, this basic economic dynamic is of real concern. It means that the incentives to make economic decisions that benefit corporate managers as well as workers and the middle class, the backbone of our economy, are weak.

The problem this situation presents is compounded by the roles of market failure and incentive compensation in tilting manager behavior toward emphasizing short-term results over longer term investment. As the CAP report details, market failure, in this context, refers to the difficulty that investors have in identifying which firms are better managed and likely to have better long-term results. With limited ability to discern the long-term prospects of firms, investors focus on near-term earnings as an indicator of long-term prospects. Given this, managers have incentives to reduce uncertain, longer-term investments in favor of decisions such as stock buybacks or increased dividends to shareholders that immediately improve near-term results. Adding to this market failure-induced tilt toward the short-term is a structure of incentive compensation for corporate executives that rewards short-term increases in shareholder value relative to either long-term measures

of shareholder value or metrics focused on improving the long-term growth of the corporation.

There are a number of specific policy actions which can help this constellation of incentives favoring short-term behavior. On the investor side, CAP lays out helpful suggestions including (1) increasing the relative cost of short-term trading through a transaction tax; (2) increasing the differential between short-term and long-term gains taxes; (3) extending the length of time a security would need to be held to reach the minimum tax rate; and (4) giving long-term investors “proxy access” (the ability to nominate directors on the company proxy statement). These policies would incentivize long-term investment in the companies and reduce corporate managements’ incentive to goose stock prices.

For corporate managers and executives, policy actions should include (1) a focus on longer-term compensation incentives and (2) strong clawback mechanisms for decisions that pump up short-term results at the expense of long-term investment. To do this, CAP has recommended Congress update the law making performance compensation over \$1 million tax-deductible in ways that motivate CEOs to focus on the long-term, such as requiring that options take longer to vest. CAP has also suggested that Congress amend the Securities Exchange Act to repeal the safe harbor protection from insider-trading charges when firms purchase stock on the open market because it gives managers a non-transparent way to manipulate stock prices.

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## Mitali Prasad, CFA Joins Trillium

Trillium continues its growth, most recently hiring Mitali Prasad, CFA as a Research Analyst covering the Industrials and Materials sectors. Prior to joining Trillium in September, Mitali was a portfolio manager and equity analyst at Washington Capital Management where she covered multiple industry sectors and managed mid and small/mid capitalization growth at a reasonable price (GARP) portfolios. Before joining Washington Capital Management, Mitali was a portfolio manager at OFI Institutional Asset Management, a subsidiary of Oppenheimer Funds/Mass Mutual. She moved to OFI Institutional from Babson Capital Management where she was an equity analyst/portfolio manager on their small and mid-cap portfolios. Mitali began her career in equity analysis as an intern at Trillium in 1993.

Mitali is a Chartered Financial Analyst (CFA) charterholder and a member of the CFA Institute and the Boston Security Analysts Society (BSAS), serving on its SRI committee from 2008 – 2010 and as Chair of its Value Investing committee from 2009 – 2013.

Mitali holds a Bachelor of Electronics and Telecommunications Engineering from the Delhi Institute of Technology in New Delhi, India and received a Master of International Affairs with a Major in Finance from Columbia University in New York. She also holds an M.B.A. from the Indian Institute of Management in Bangalore, India. Mitali says, “I am thrilled to return to Trillium and bring my experience to a team that has been a pioneer in the field of sustainable and responsible impact investing.” 

## Thinking Capital<sup>SM</sup>, continued from page 1

financially outperformed those without similar policies in place by 3.0% per annum over the past six years.

The salience of these facts and this state of global affairs was of great concern to us as we prepared to attend this year's "PRI in Person," a global conference held for the first time this year in Singapore, by the Principles for Responsible Investment (PRI) an international network of investors who assess the implications of environmental, social, and corporate governance (ESG) issues on the investment and ownership decisions of its signatories. Singapore has emerging sustainability goals and a stock market moving to require the disclosure of environmental and social corporate performance. But Singapore is exceptionally problematic when it comes to LGBT issues. The city-state continues to criminalize same-sex relations between men through Section 377A of its penal code, legislation carried over from British colonial rule. Singapore also lacks protections for free speech, leading to censorship and the purging of any media that depicts LGBT people in a positive light.

Knowing all of this, we felt we had an opportunity as investors and fiduciaries to engage with the Singaporean government, companies operating in Singapore, other institutional investors, and the Singapore LGBT community to better understand their perspective and share our concerns. Helping these stakeholders understand the negative financial implications of an LGBT-hostile work environment and the human rights issues at stake was something we felt could successfully convene the right organizations to move this debate in the right direction.

We were therefore delighted when we were able to organize and hold meetings with a few corporate leaders that sponsor Pink Dot SG (2016 sponsors included Google, Barclays, J. P. Morgan, Goldman Sachs, BP, Twitter, Apple, Facebook, General Electric, Microsoft, Comcast-NBCUniversal and Visa), an annual event held in Singapore in support of the LGBT community. In these meetings,

we strategized about further actions that could be taken. We also organized a luncheon with fellow PRI members to discuss LGBT discrimination around the globe, raising awareness of these issues with investors representing over \$1 trillion. Our meeting with Pink Dot SG organizers and other LGBT leaders resulted in valuable insights into the specific political dynamics that must be taken into account when engaging with Singaporean government officials.

Perhaps the most valuable meeting, however, was with Singapore's government. The Singaporean government is almost singularly focused on economic growth. Having suffered from some significant slowing recently, it is eager to find new opportunities to add growth. Therefore, we focused our meeting on the previously mentioned Credit Suisse report, which demonstrates that supporting LGBT workers unlocks value and growth. Any organization that wants to maximize productivity cannot reach its potential while making a portion of their workforce feel unwelcome. The government officials engaged in a cordial dialogue with us without making specific commitments, but we are optimistic that the case for business investment will help counter long-standing discriminatory practices.

Building on these relationships and engagements, Trillium will continue to help our friends and allies in Singapore and here in the United States to get us closer to being a truly inclusive and diverse society that respects human rights. Just as we may at some point convince the Singaporean Government to shift its stance based on benefits to business of more supportive workplace practices that encourage diversity, we similarly need to amplify the many voices of enlightened companies who make the case, as Elizabeth Warren says, that "Bigotry is Bad for Business." This is language the new administration may be able to understand—they may at least be concerned about alienating the many large companies who have worked hard to be leaders on LGBT equality. 

## RECENT SPEAKING ENGAGEMENTS

**October 4, 2016:** CFA Society of Portland, "Portland Finance Expo 2016 (ESG Panel)," Portland, OR. *Anthony Tursich, CFA, Portfolio Manager.*

**November 2, 2016:** Intentional Endowments Network, "The Intentionally Designed Endowment Forum at Loyola University Chicago," Chicago, IL. *Jackson R. Robinson, CFA, Vice Chair, Portfolio Manager.*

**November 5, 2016:** Net Impact, "2016 Net Impact Conference," Philadelphia, PA. *Matt Patsky, CFA, CEO.*

**November 9 – 11, 2016:** Sustainable, Responsible, Impact Investing, Denver, CO. "The SRI Conference," *Susan Baker, Vice President of Advocacy, Matt Patsky, CFA, CEO.*

**November 14, 2016:** Opal Group, "Opal Endowments and Financial Forum," Boston, MA. *Paul Hilton, CFA, Partner, Portfolio Manager.*

**November 17, 2016:** Boston Security Analysts Society, Inc., "4th Annual ESG Seminar," Boston, MA. *Cheryl I. Smith, Ph.D., CFA, Managing Partner.*

**December 6, 2016:** Responsible Investor, "RI Americas 2016," New York, NY. *Cheryl Smith, Ph.D., CFA, Managing Partner.*

**December 7, 2016:** Global Impact Investing Network (GIIN), "GIIN Investor Forum 2016," Amsterdam, The Netherlands. *Brianna Murphy, Vice President, Shareholder Advocacy.*

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Finally, greater disclosure of a variety of environmental, social, and governance metrics, and tying managerial incentives to progress on these metrics, would improve investors' ability to assess the long-term potential for corporate growth by helping investors determine how much managers are investing in growth. Trillium actively encourages companies to do exactly this through our proxy voting and shareholder advocacy. While those efforts are still nascent, they are gaining traction.

It is in the interests of investors, workers, communities, and our economy as a whole to confront this slowing of economic growth. Short-termism makes it harder for us to reduce economic inequality, to invest in our children's and grandchildren's futures, and to find the solutions to countless environmental and social challenges. 

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