

Fossil Fuel Investment and Divestment: Choices for a Responsible Investor

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FIRM OVERVIEW

- Oldest investment advisor focused exclusively on sustainable and responsible investment (SRI)
- \$1.4 billion in assets as of 12/31/2013*
- 60% individual/40% institutional
- Deep expertise in domestic equities
- Employee owned, with broad distribution of shares

*This figure contains assets from both wrap and non-wrap accounts and is provided as supplemental information. Please see GIPS compliant composite presentation in an appendix for firm definition.

ENERGY SECTOR RECENT PERFORMANCE

ENERGY SECTOR PERFORMANCE COMPARED TO MARKET

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Out-performing</u>	19.0% Energy*	34.8% Energy	-37.0% Market	26.5% Market	21.1% Energy	2.8% Energy	16.0% Market	32.4% Market
<u>Under-performing</u>	15.8% Market^	5.5% Market	-39.3% Energy	24.9% Energy	15.1% Market	2.1% Market	3.4% Energy	25.8% Energy

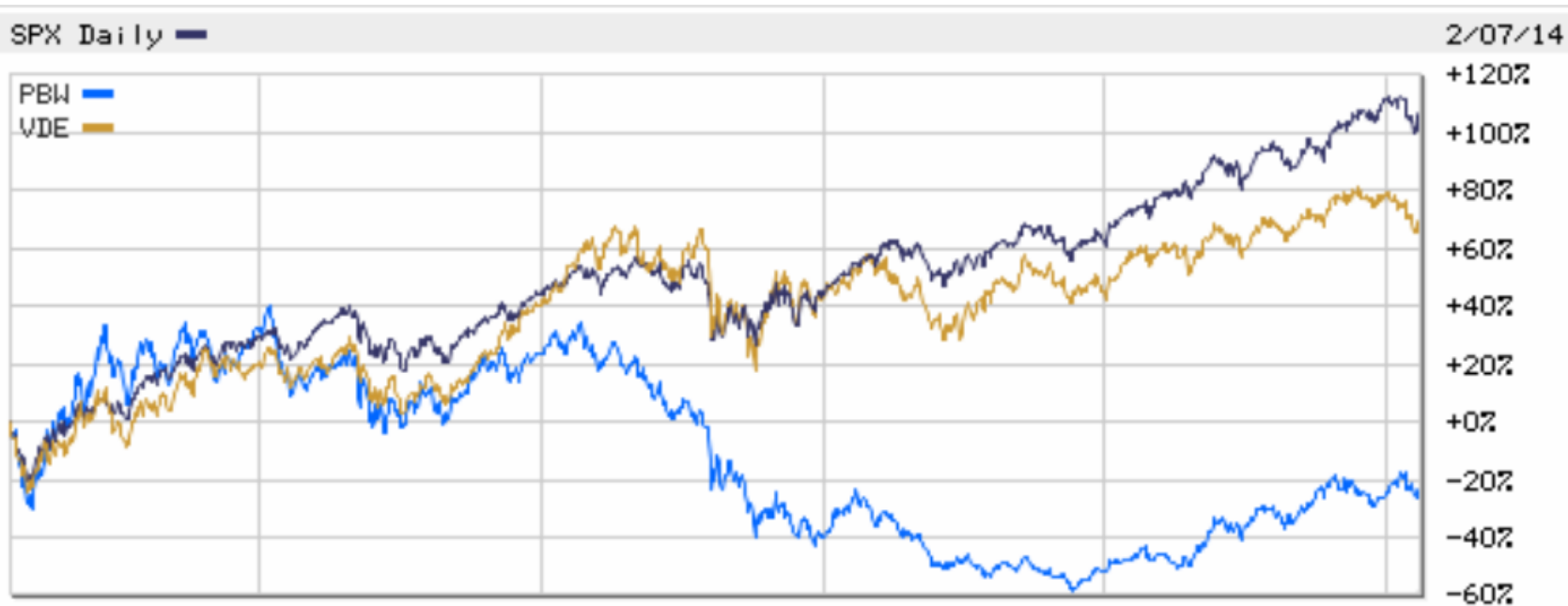
* Energy Performance is represented by the Vanguard Energy ETF (VDE), which seeks to track the performance of a benchmark index that measures the investment return of stocks in the energy sector.

^Market Performance is represented by the S&P 500 Index

ENERGY SECTOR UNDERPERFORMED PAST 5 YEARS

Chart of 5 Year Performance thru 12/31/13:

S&P 500 (Black), Energy Sector (Gold), Alternative Energy Sector (Blue)



- Reviewing past five years, avoidance of traditional energy positive for investors
- History offers cautionary tale regarding Alternative Energy reinvestment (Blue Line)

•Chart created at www.bigcharts.com

•VDE (Vanguard Energy ETF), represented by the gold line, seeks to track the performance of a benchmark index that measures the investment return of stocks in the energy sector.

•PBW (PowerShares WilderHill Clean Energy Portfolio), represented by the blue line, is based on the WilderHill Clean Energy Index which is designed to deliver capital appreciation through the selection of companies that focus on greener and generally renewable sources of energy and technologies that facilitate cleaner energy.

Risk and Tracking Error of Various Divestment Options

- Building a carbon-free portfolio does not imply a high risk or high volatility allocation
- Fossil fuel investments make up only 4% of portfolios, on average
- Key demands of student movement: freeze new investments, divest over 5 years, 5% reinvestment in community and energy
- Continuum of divestment options:

	Exclusion of "Filthy Fifteen" Coal Stocks	Exclusion of Oil & Gas and Fuels Stocks	Exclusion of All Carbon-Intensive Stocks
Market Risk (Russell 3000)	17.6657%	17.6657%	17.9500%
Screened Portfolio	17.6662%	17.6758%	17.9633%
Incremental Risk	0.0006%	0.0101%	0.0133%
Theoretical Return Penalty	0.0002%	0.0034%	0.0044%

Broad Carbon Exclusion means all Oil, Gas and Consumable Fuels, Metals and Mining, Electric Utilities, Independent Power Producers and Energy Traders, and Multi-Utilities

Sources: Barra Aegis and Aperio Group, Oxford Stranded Asset Report, Responsible Endowment Coalition. Numbers may not total due to rounding. Estimates as of November 30, 2012.

REINVESTING AMONG 7 PILLARS

Trillium recommends a diversified approach to reinvestment that looks across sectors for companies undertaking one or more of these 7 Pillars:

Energy
Efficiency

Power
Generation

Storage &
Distribution

Transportation

Water

Sustainable
Agriculture

Sustainable
Design

ESG MATERIALITY ENERGY SECTOR

COMPONENTS OF ENERGY SECTOR

GICS MAP for Energy:

Sector

Energy (10.4% of S&P 1500)

Industry

Energy Equipment and Services (2.0%)

Oil and Gas (8.4%)

Sub-Industry

Oil and Gas Drilling (0.3%)

Oil and Gas Equipment and Services (1.6%)

Integrated Oil and Gas (4.8%)

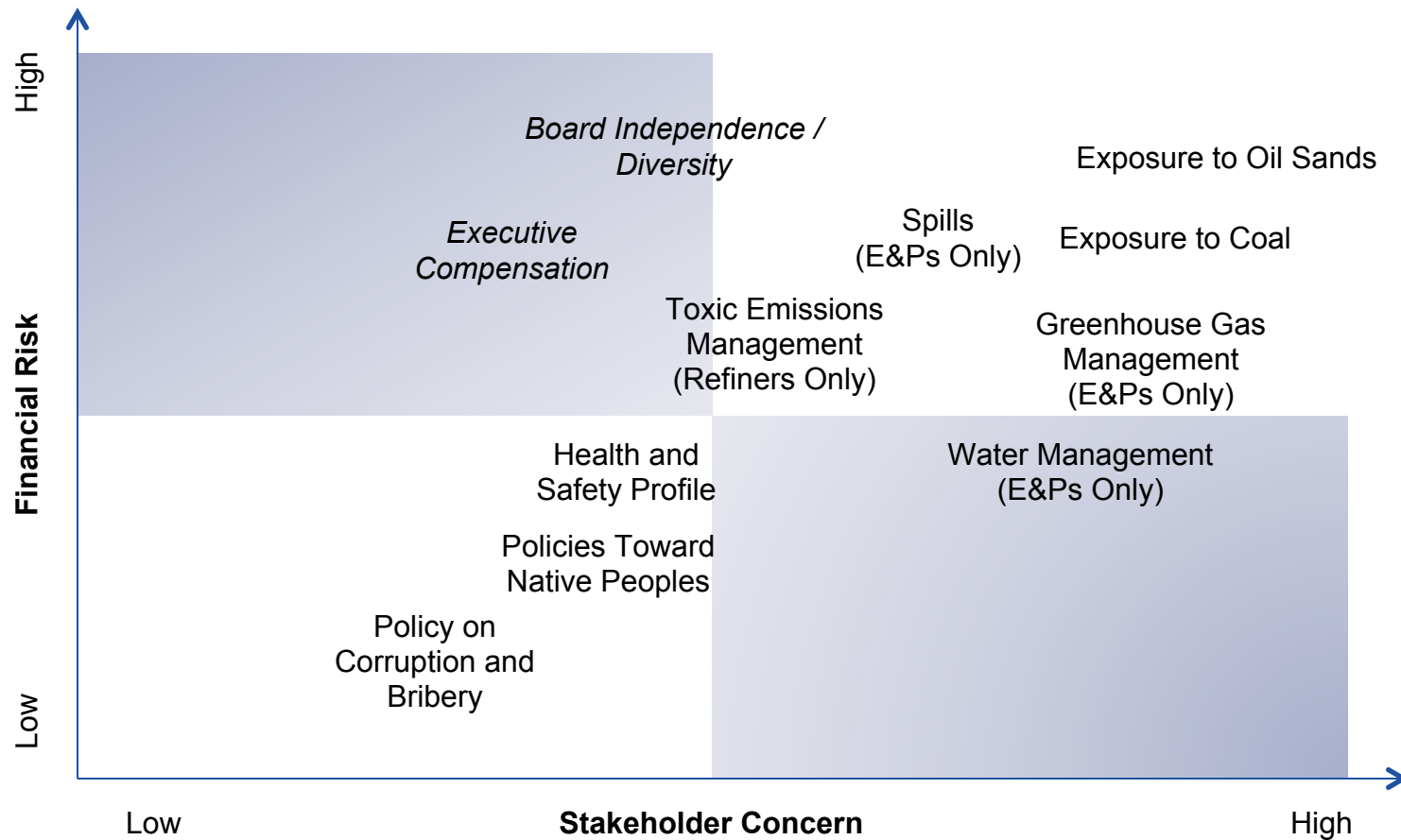
Oil and Gas Exploration and Production (2.4%)

Oil and Gas Refining & Marketing (0.6%)

Oil and Gas Storage & Transport (0.4%)

Coal (0.1%)

TRILLIUM MATERIALITY MATRIX: OIL & GAS INDUSTRY



DIVESTMENT STRATEGIES AT TRILLIUM

TRILLIUM'S FOSSIL FUEL FREE INVESTMENT STRATEGIES

Strategy	Description
All Cap Core	Avoids Tar Sands, Coal, Industry ESG Laggards
Fossil Fuel Free Core	No Fossil Fuel Energy or Utility Sector companies
Sustainable Opportunities	Additional positive sustainability criteria employed

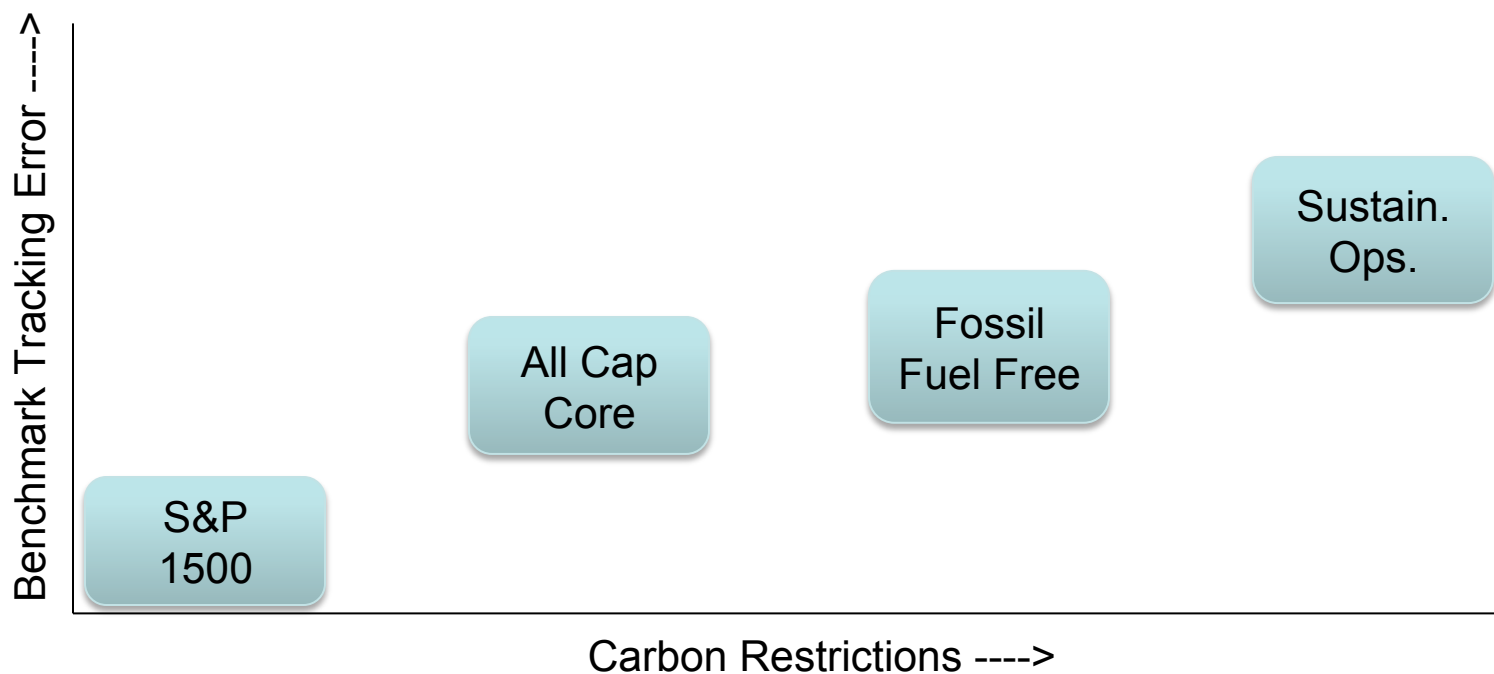
Trillium also has the ability to restrict individual stocks from a portfolio

ILLUSTRATING TRILLIUM ENERGY EXCLUSIONS

Sample Company	Issue	All Cap	Fossil Fuel Free	Sustain Ops
Exxon	Low ESG	X	X	X
Conoco Philips	Tar Sands	X	X	X
Peabody	Coal	X	X	X
Hess	Oil & Gas Reserves		X	X
National Oilwell Varco	Oil Services		X	X
Spectra Energy	Gas Pipelines		X	X
National Grid	Carbon Emissions		X	X
3M	No Green Solution			X
ABB	Green Solutions			

A complete list of companies that are on Trillium's 'Buy List' is available on request.

TRACKING ERROR VARIES AMONG APPROACHES



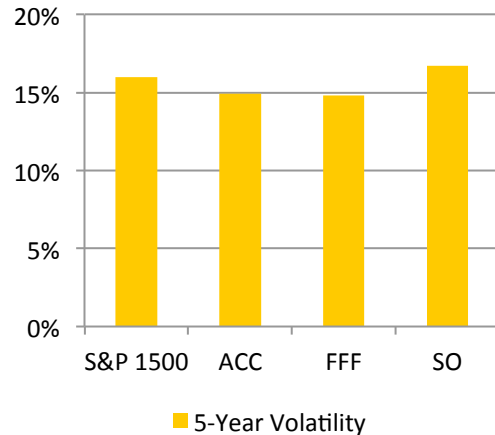
	S&P 1500	All Cap Core	Fossil Fuel Free	Sustainable Ops
Tracking Error 5-Year	0.0%	2.9%	3.3%	5.0%

Disclosure: Tracking error calculated in relation to S&P 1500 using monthly net of fee performance data. All Cap Core, Fossil Fuel Free Core and Sustainable Opportunities performance derived from GIPS client composite as of 12/31/2013. Please see disclosures at end of presentation and further performance detail on GIPS composites available on request.

PERFORMANCE STATISTICS: 5 YEARS

STRATEGY PERFORMANCE STATISTICS: 5 YEARS

5-Year Volatility



Definition: **Standard Deviation**

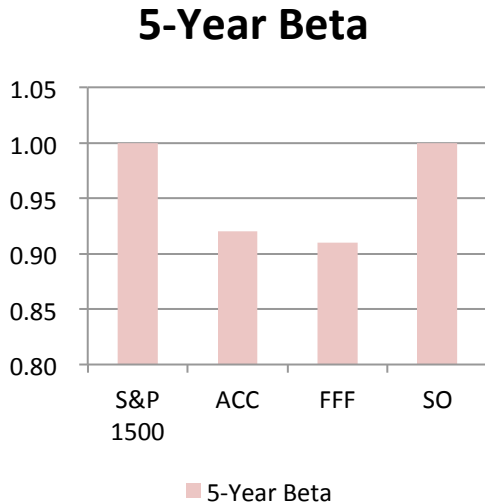
A measure of the dispersion of a set of data from its mean. The more spread apart the data is, the higher the deviation.

In finance, standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility (risk).

	S&P 1500	All Cap Core	Fossil Fuel Free	Sustainable Ops
Volatility	16.0%	14.9%	14.8%	16.7%

Disclosure: Volatility calculated in relation to S&P 1500 using monthly performance data. All Cap Core (ACC), Fossil Fuel Free strategy (FFF) and Sustainable Opportunities (SO) performance derived from preliminary GIPS client composite for 10/1/08 to 09/30/13. Please see disclosures at end of presentation and further performance detail on GIPS composites available on request.

STRATEGY PERFORMANCE STATISTICS: 5 YEARS



Definition: **Beta**

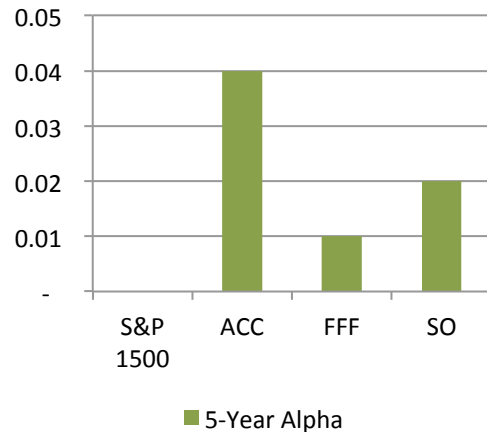
A measure of a security's or portfolio's volatility, or systematic risk, in comparison to the market as a whole. Also known as "beta coefficient."

	S&P 1500	All Cap Core	Fossil Fuel Free	Sustainable Ops
Beta	1.00	0.92	0.91	1.00

Disclosure: Beta calculated in relation to S&P 1500 using monthly performance data. All Cap Core (ACC), Fossil Fuel Free strategy (FFF) and Sustainable Opportunities (SO) performance derived from preliminary GIPS client composite for 10/1/08 to 09/30/13. Please see disclosures at end of presentation and further performance detail on GIPS composites available on request.

STRATEGY PERFORMANCE STATISTICS: 5 YEARS

5-Year Alpha



Definition: **Alpha**

The abnormal rate of return on a security or portfolio in excess of what would be predicted by an equilibrium model like the Capital Asset Pricing Model.

	S&P 1500	All Cap Core	Fossil Fuel Free	Sustainable Ops
Alpha	0.00	0.04	0.01	0.02

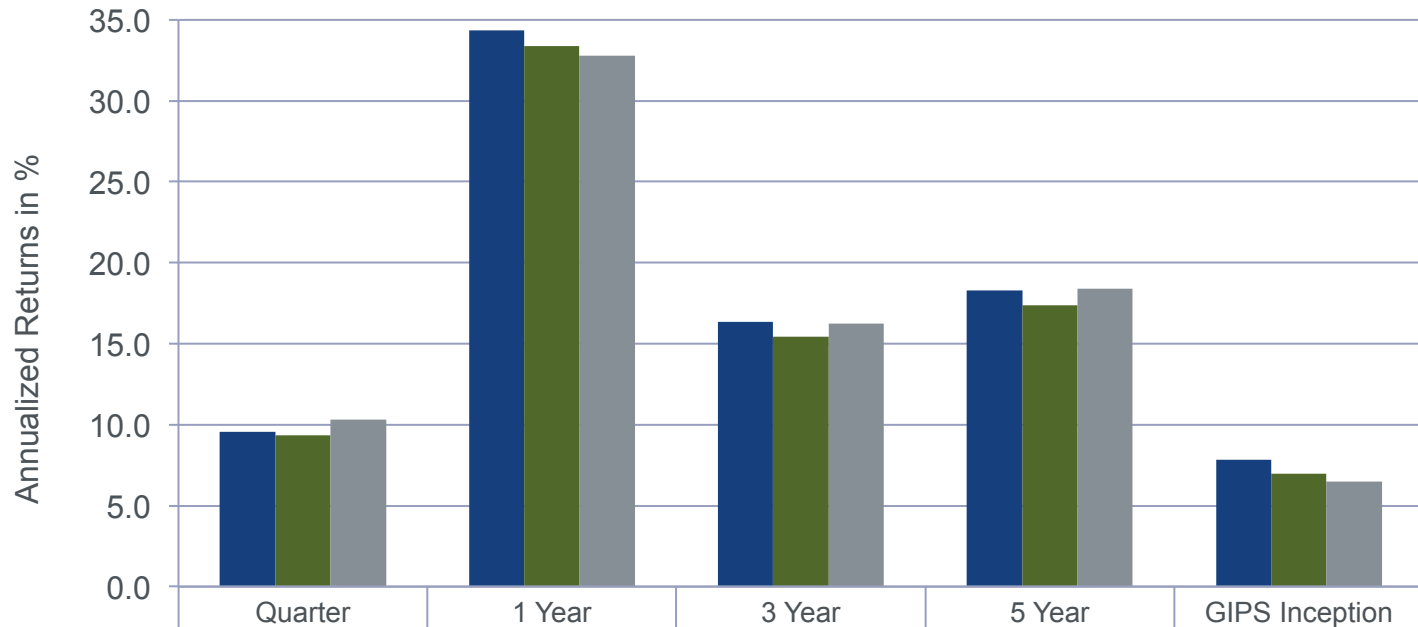
Disclosure: Alpha calculated in relation to S&P 1500 using monthly performance data. All Cap Core (ACC), Fossil Fuel Free strategy (FFF) and Sustainable Opportunities (SO) performance derived from preliminary GIPS client composite for 10/1/08 to 09/30/13. Please see disclosures at end of presentation and further performance detail on GIPS composites available on request.

EVALUATING DIVESTMENT: KEY QUESTIONS

- Explore your primary motivation for divesting:
Financial, Ethical, Political
- Choose the level of fossil fuel exclusion desired
- Evaluate options in relation to your risk tolerance and return objective

APPENDIX

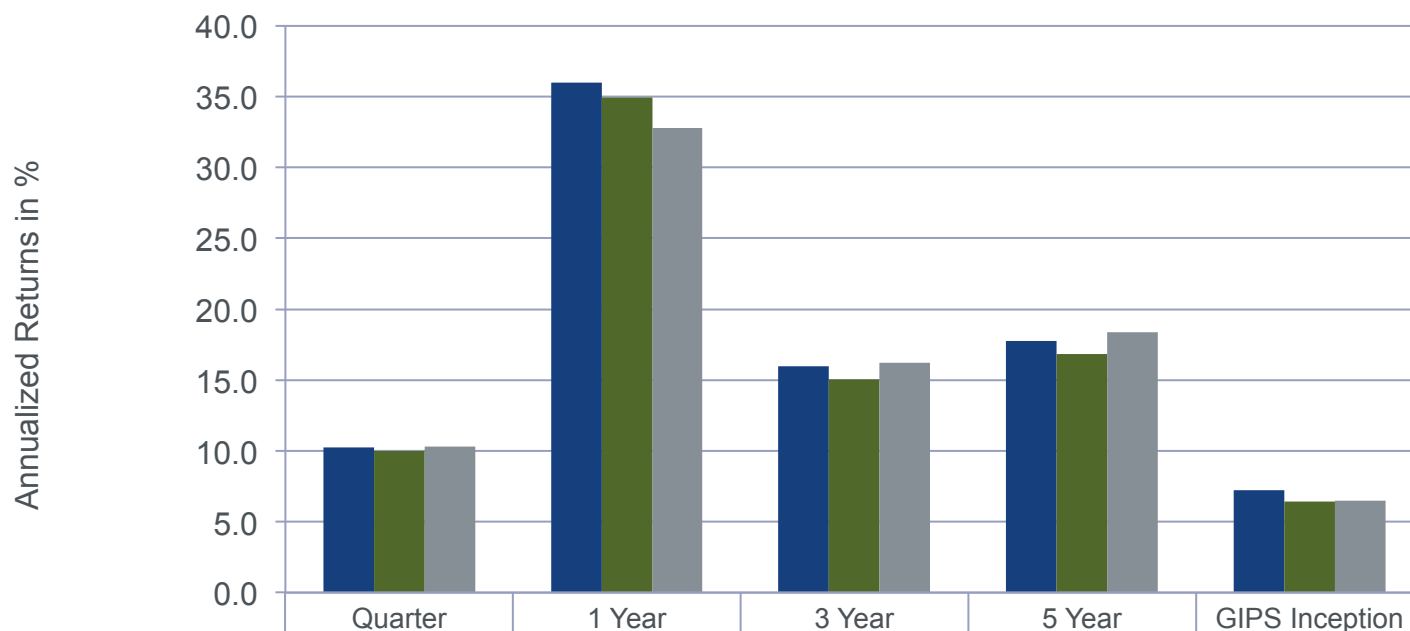
ALL CAP CORE PERFORMANCE



	Quarter	1 Year	3 Year	5 Year	GIPS Inception
■ All Cap Core, Gross of Fees	9.5	34.3	16.3	18.3	7.8
■ All Cap Core, Net of Fees	9.4	33.4	15.4	17.4	7.0
■ S&P 1500	10.3	32.8	16.2	18.4	6.5

Annualized returns for TRILLIUM ASSET MANAGEMENT® All Cap Core composite, through 12/31/2013. GIPS composite inception is 1/1/2007 for the All Cap Core composite. As of 12/31/13 composite includes 2.4% cash and fixed income. **See All Cap Core Composite Annual Disclosure Presentation in appendix for full disclosure.**

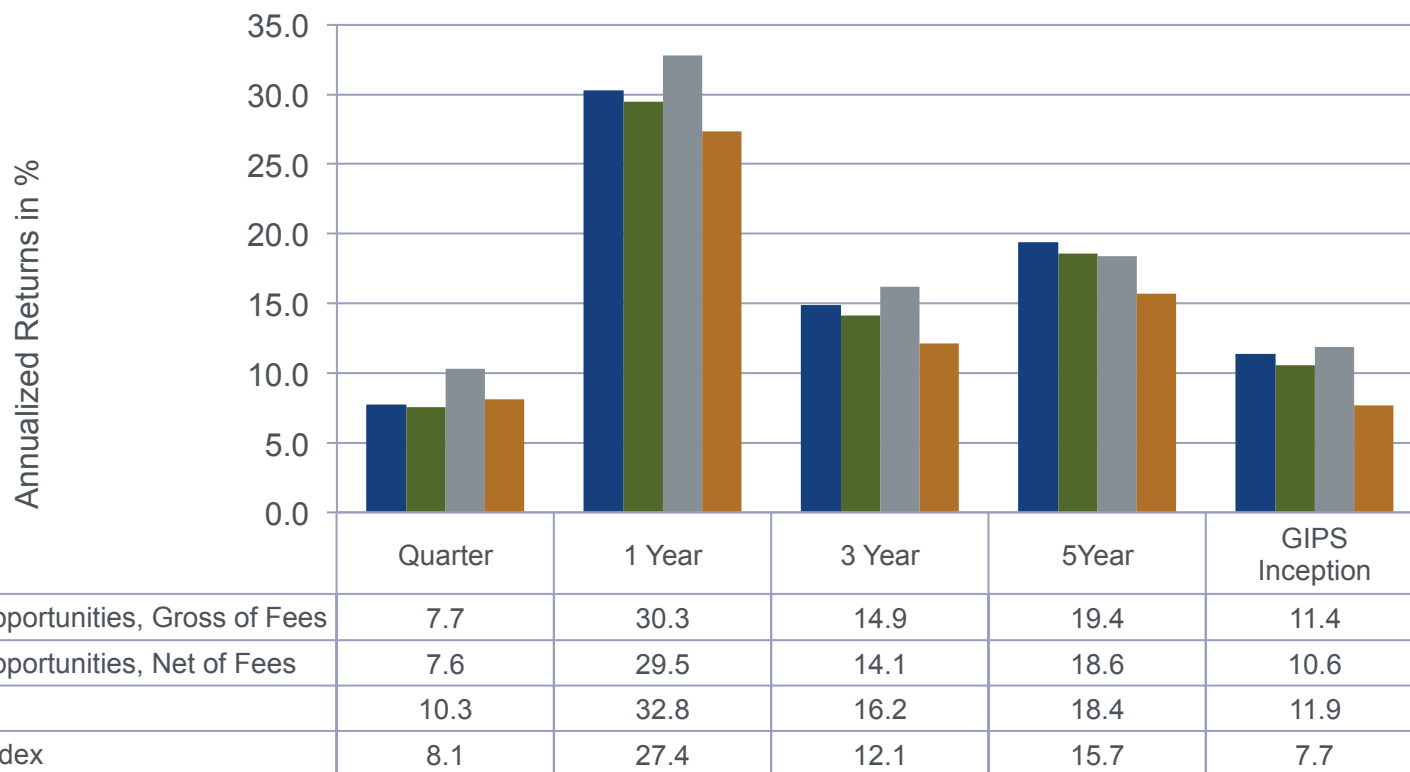
FOSSIL FUEL FREE CORE PERFORMANCE



	Quarter	1 Year	3 Year	5 Year	GIPS Inception
■ Fossil Fuel Free Core, Gross of Fees	10.2	36.0	16.0	17.7	7.3
■ Fossil Fuel Free Core, Net of Fees	10.0	35.0	15.1	16.8	6.4
■ S&P 1500	10.3	32.8	16.2	18.4	6.5

Annualized returns for TRILLIUM ASSET MANAGEMENT® Fossil Fuel Free Core composite, through 12/31/2013. GIPS composite inception is 1/1/2007 for the Fossil Fuel Free Core composite. As of 12/31/13 composite includes 5.1% cash. See **Fossil Fuel Free Core Composite Annual Disclosure Presentation** in appendix for full disclosure.

SUSTAINABLE OPPORTUNITIES PERFORMANCE



Annualized returns for TRILLIUM ASSET MANAGEMENT® Sustainable Opportunities composite, through 12/31/2013. GIPS composite inception is 10/1/2008 for the Sustainable Opportunities composite. As of 12/31/13 composite includes 2.9% cash and fixed income. **See Sustainable Opportunities Composite Annual Disclosure Presentation in appendix for full disclosure.**

ALL CAP CORE COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Annual Performance Results Composite GROSS	Annual Performance Results Composite NET	Benchmark	Composite 3 Year STD DEV	Benchmark 3 Year STD DEV	Composite Dispersion	Number of Accounts	Composite Assets (USD) (millions)	Total Firm Assets (USD) (millions)
2013	34.32%	33.38%	32.80%	12.20%	12.24%	1.54%	48	\$90	\$1,121
2012	16.72%	15.80%	16.17%	14.87%	15.38%	0.76%	40	\$56	\$941
2011	0.38%	-0.40%	1.75%	17.45%	19.33%	0.72%	33	\$43	\$809
2010	13.37%	12.51%	16.38%	20.51%	22.56%	1.66%	31	\$43	\$782
2009	29.82%	28.74%	27.25%	18.37%	20.27%	1.77%	30	\$32	\$730
2008	-33.20%	-33.74%	-36.72%	n.a.	n.a.	1.51%	33	\$23	\$669
2007	9.47%	8.60%	5.47%	n.a.	n.a.	1.65%	30	\$37	\$891

Trillium Asset Management is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors act of 1940. For the purposes of establishing and maintaining compliance with the GIPS standards, the firm has elected to define itself exclusive of wrap-fee assets under management both currently and historically.

Trillium All Cap Core seeks to provide competitive long-term returns by investing in a well diversified portfolio across a range of market capitalizations. Stock selection is based on growth-at-a-reasonable-price methodology with an emphasis on industries that offer solutions to significant societal and environmental challenges. The stock selection process emphasizes companies making a positive contribution to society and the economy; however, no stock is added without rigorous financial analysis. For comparison purposes the composite is measured against the S&P 1500. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias.

The All Cap Core Composite was created on September 14th 2011 and has an inception date of January 1, 2007. The U.S. Dollar is the currency used to express valuations and performance. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Returns are presented gross and net of management fees and include the reinvestment of all income. Net-of-fee performance is calculated using actual management fees. The Number of Accounts and Composite Assets columns include only the accounts that were in the composite at the end of the year. The annual composite dispersion presented is a gross-of-fees, asset-weighted standard deviation calculated only for the accounts in the composite for the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is not indicative of future results.

The investment management fee schedule for the composite is 1.00% on the first \$2 million of assets under management, and 0.75% for the next \$3 million, and 0.50% for the next \$20 million, and 0.45% for the next \$25 million and 0.40% for all assets under management over \$50 million. A minimum annual fee of up to \$18,000 per account may also apply. Actual investment advisory fees incurred by clients may vary. Additional information on Trillium Asset Management's investment management fees can be found on its Form ADV, Part II

Trillium Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Trillium Asset Management has been independently verified for the periods January 1, 2007 through September 30, 2013. A copy of the verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

FOSSIL FUEL FREE CORE COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Annual Performance Results Composite GROSS	Annual Performance Results Composite NET	Benchmark	Composite 3 Year STD DEV	Benchmark 3 Year STD DEV	Composite Dispersion	Number of Accounts	Composite Assets (USD) (millions)	Total Firm Assets (USD) (millions)
2013	36.00%	34.95%	32.80%	11.48%	12.24%	1.54%	5	\$6	\$1,121
2012	15.44%	14.53%	16.17%	14.02%	15.38%	n.a.	Less than 5	\$2	\$941
2011	-0.62%	-1.43%	1.75%	17.43%	19.33%	n.a.	Less than 5	\$2	\$809
2010	10.29%	9.42%	16.38%	20.70%	22.56%	n.a.	Less than 5	\$2	\$782
2009	31.42%	30.41%	27.25%	18.70%	20.27%	n.a.	Less than 5	\$2	\$730
2008	-32.83%	-33.38%	-36.72%	n.a.	n.a.	n.a.	Less than 5	\$1	\$669
2007	7.48%	6.64%	5.47%	n.a.	n.a.	n.a.	Less than 5	\$2	\$891

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Trillium Fossil Fuel Free Core seeks to provide competitive long-term returns by investing in a well diversified portfolio across a range of market capitalizations while eliminating all exposure to fossil fuel stocks. Stock selection is based on growth-at-a-reasonable-price methodology with an emphasis on industries that offer solutions to significant societal and environmental challenges. The stock selection process emphasizes companies making a positive contribution to society and the economy; however, no stock is added without rigorous financial analysis. For comparison purposes the composite is measured against the S&P 1500. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias.

The Fossil Fuel Free Core Composite was created on August 28th 2011 and has an inception date of January 1, 2007. The U.S. Dollar is the currency used to express valuations and performance. The firm maintains a complete list and description of composites, which is available upon request.

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SUSTAINABLE OPPORTUNITIES COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Annual Performance Results Composite GROSS	Annual Performance Results Composite NET	Benchmark	Composite 3 Year STD DEV	Benchmark 3 Year STD DEV	Composite Dispersion	Number of Accounts	Composite Assets (USD) (millions)	Total Firm Assets (USD) (millions)
2013	30.32%	29.47%	32.80%	13.32%	12.24%	1.68%	34	\$73	\$1,121
2012	16.44%	15.64%	16.17%	16.24%	15.38%	1.10%	25	\$39	\$941
2011	0.00%	-0.62%	1.75%	19.86%	19.33%	0.52%	15	\$18	\$809
2010	12.95%	12.22%	16.38%	n.a.	n.a.	n.a.	11	\$12	\$782
2009	41.44%	40.33%	27.25%	n.a.	n.a.	n.a.	7	\$10	\$730
2008*	-27.38%	-27.57%	-22.36%	n.a.	n.a.	n.a.	Less than 5	\$2	\$669

*Inception date is October 1, 2008.

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Trillium Sustainable Opportunities Composite seeks to provide long-term investment growth by investing in companies positioned to thrive as we transition to a more sustainable economy. Sustainable Opportunities is a growth-seeking sustainability-themed investment discipline for investors with a long-term time horizon and a willingness to accept higher-than-average volatility relative to standard equity benchmarks. Sustainable Opportunities draws from Trillium's overall buy-list of companies with strong sustainability profiles, with an additional thematic requirement that companies must be addressing one of the following themes through their core business: Green Solutions, Economic Empowerment, and Healthy Living. For comparison purposes the composite is measured against the S&P 1500. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias.

The Sustainable Opportunities Strategy Composite was created on August 28th 2011 and has an inception date of October 1, 2008. The U.S. Dollar is the currency used to express valuations and performance. The firm maintains a complete list and description of composites, which is available upon request.

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DISCLOSURE: IMPORTANT INFORMATION

The S&P Indices are widely recognized, unmanaged indices of common stock. It is not possible to invest directly in an index. The S&P 500 Index is recognized as a gauge of the large cap U.S. equities market. The S&P 1000 combines the S&P MidCap 400 and the S&P SmallCap 600, to form a benchmark for the mid-small cap universe of the U.S. equity market. The S&P 1500 combines three indices, the S&P 500, the S&P MidCap 400, and the S&P SmallCap 600 to cover approximately 90% of the U.S. market capitalization.

The MSCI World Index is a widely recognized, free float-adjusted, market capitalization weighted Index. It is not possible to invest directly in an index. The MSCI World Index is recognized as a gauge of equity market performance for global developed markets. As of May 30, 2011, the index contained the following 24 developed market indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. The Russell 2500 is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. It is not possible to invest directly in an index.

Investments in smaller companies generally carry greater risk than is customarily associated with larger companies for various reasons, such as narrower markets, limited financial resources and less liquid stock.

The views expressed are those of the authors and Trillium Asset Management, LLC 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.



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