

The Portfolio 21 Global Equity Fund is designed to address the risks and opportunities created by the increasing constraints on natural capital. Since 1999, we have searched the globe for companies that meet a dual mandate: environmental leadership and financial quality. Our rigorous selection criteria is fossil fuel free and integrates financial and environmental, social, and governance (ESG) research to seek high quality growth companies at a reasonable price, resulting in an equity portfolio that seeks positive risk-adjusted return.

### TOP TEN HOLDINGS

COMPANY	% OF FUND	COUNTRY	SECTOR
Alphabet Inc Class A	2.1	U.S.	Information Technology
Apple Inc	1.8	U.S.	Information Technology
Samsung Electronics Co Ltd	1.6	South Korea	Information Technology
TJX Companies Inc	1.5	U.S.	Consumer Discretionary
Visa Inc	1.4	U.S.	Information Technology
Ecolab Inc	1.3	U.S.	Materials
Taiwan Semiconductor Manufac	1.3	Taiwan	Information Technology
PNC Financial Services Group	1.2	U.S.	Financials
Adobe Systems Inc	1.2	U.S.	Information Technology
Ipg Photonics Corp	1.2	U.S.	Information Technology

### PERFORMANCE (as of 9/30/2017)

		RETAIL (PORTX)	INSTITUTIONAL (PORIX)	MSCI ACWI
Quarter	Return (%)	5.83	5.92	5.18
1 Year	Return (%)	18.77	19.10	18.65
3 Year	Return (%)	8.90	9.19	7.43
5 Year	Return (%)	10.29	10.61	10.20
10 Year	Return (%)	4.08	4.38	3.88
Since Inception	Return (%)	5.75	6.07	4.84
	Standard Deviation	15.94	15.94	15.59
	Alpha	1.10	1.22	
	Information Ratio	0.16	0.18	
Gross Expense Ratio (%)		1.33%	1.08%	

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 800-853-1311.

PORIX performance reflects a blend of retail class shares (PORTX) and institutional class shares (PORIX) adjusted to reflect institutional class (PORIX) fees. PORTX performance is used from fund inception date, 9/30/99, until the launch of PORIX on 3/30/07. PORIX performance is used from 3/30/07 to date.

Style ..... Global Equity  
 Index ..... MSCI ACWI  
 Number of Holdings ..... 70-120

### RETAIL

Symbol ..... PORTX  
 Cusip ..... 742935588  
 Inception Date ..... 09.30.99  
 Minimum Investment  
 Standard Account ..... \$5,000  
 Retirement Account ..... \$1,000

### INSTITUTIONAL

Symbol ..... PORIX  
 Cusip ..... 742935356  
 Inception Date ..... 03.30.07  
 Minimum Investment ..... \$100,000

(Registered Investment Advisors may aggregate client accounts to meet the minimum)

### INVESTMENT MANAGEMENT TEAM

**James Madden, CFA**   **Anthony Tursich, CFA**  
 Portfolio Manager   Portfolio Manager

### INVESTMENT ADVISOR

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# Portfolio 21 Global Equity Fund

September 30, 2017 (3rd Quarter)

## SECTOR WEIGHTINGS

SECTOR	PORTFOLIO %	MSCI ACWI %
Consumer Disc.	9.3	11.9
Consumer Staples	8.7	8.8
Energy	0.0	6.4
Financials	18.2	18.7
Health Care	13.5	11.2
Industrials	15.5	10.8
Information Tech.	19.3	17.5
Materials	6.1	5.4
Real Estate	3.5	3.1
Telecom. Svcs.	3.3	3.2
Utilities	1.6	3.1

## TOP TEN COUNTRIES

COUNTRY	PORTFOLIO %	MSCI ACWI %
United States	45.9	51.4
Japan	7.1	7.7
United Kingdom	6.0	5.6
France	3.4	3.5
Denmark	3.2	0.6
Canada	3.0	3.3
Switzerland	2.8	3.2
Germany	2.9	3.2
Australia	2.8	2.3
Netherlands	2.5	1.5

## CHARACTERISTICS

<b>Fund Assets:</b> .....	\$488 m
<b>Number of holdings:</b> .....	115
<b>Asset Allocation:</b>	
Equities:.....	99.1%
Cash: .....	0.92%
<b>One year turnover:</b> .....	19%
<b>Average three year turnover</b> .....	26%
<b>Average five year turnover</b> .....	29%
<b>Weighted Avg Market Cap (\$ bil):</b>	
Portfolio: .....	91.3
MSCI ACWI: .....	120.7
<b>Weighted Harmonic Avg fwd P/E (x)</b>	
Portfolio: .....	16.4
MSCI ACWI: .....	15.7
<b>Weighted Avg P/B (x):</b>	
Portfolio: .....	2.9
MSCI ACWI: .....	2.2

## PORTFOLIO COMMENTARY

The Portfolio 21 Global Equity Fund (P21) outperformed the MSCI ACWI NTR (ACWI) in Q3 2017 and year-to-date (PORIX: 21.42%, PORTX: 21.16%) as stock indices again rose to record levels. Fund (PORIX) NAV increased 5.92% for the quarter and is up 21.42% year-to-date, compared with a 5.18% and 17.25% return for the ACWI, respectively. Longer-term, P21 has generated above benchmark returns on a net-of-fees basis with a lesser degree of risk, as measured by standard deviation, over the past 3, 5, and 10-year periods.

We believe P21 is well positioned if volatility returns to the markets should foreign central banks join the Federal Reserve in balance sheet reduction and interest rate hikes before the year is out, given the emphasis on high quality companies. In fact, portfolio "quality" has risen in recent quarters; P21 dwarfs the ACWI in terms of operating margins, return-on-equity, and return-on-invested capital performance. Investors have a tendency to flock to stable and strong operators in times of market uncertainty.

As usual, P21's excess returns can be attributable to strong stock selection. From a sector perspective, positive contribution was realized within eight of the eleven economic sectors in Q3. The Industrials and the Financials sectors provided the biggest bang, followed by consumer related stocks. Kingspan, Nidec, Ryder Systems, Hang Seng Bank, Itau Unibanco, and DNB all appreciated by double-digit percentages during the period.

P21 stocks in the Real Estate and Materials sectors held back performance. Health-care REIT HCP continued to deal with legacy issues as it rebuilds investor confidence. The stock was down 12% but we feel that new management's focus on financial flexibility and private pay assets is the correct long-term strategy. Lack of portfolio exposure to oil and gas, basic chemicals, and metals and mining, inhibited returns, as commodity prices surged.

Top 5 Contributors (%)	PORTFOLIO RETURN	RELATIVE CONTRIBUTION
BYD CO LTD-H	51.17	0.33
IPG PHOTONICS CORP	27.54	0.31
KINGSPAN GROUP PLC	24.51	0.20
PAYPAL HOLDINGS INC	19.30	0.15
KERING	17.16	0.16

Top 5 Detractors (%)	PORTFOLIO RETURN	RELATIVE CONTRIBUTION
NIKE INC -CL B	-11.82	-0.12
MEDTRONIC PLC	-11.40	-0.09
HCP INC	-11.85	-0.09
HENRY SCHEIN INC	-10.40	-0.08
COWAY CO LTD	-9.71	-0.08

This information is not intended as investment advice or a recommendation to purchase or sell specific securities. Sector and stock performance included in portfolio commentary reflects a representative account as of 9/30/2017 and excludes cash. Actual holdings will vary for each client and there is no guarantee that a particular client's account will hold any or all of the securities/sectors listed. Additional information regarding the calculation methodology, as well as each holding's contribution to the strategy's performance is available on request.

On the positive side, UK materials company Johnson Matthey had a strong showing for the quarter, up 23%, as investors were impressed with the company’s articulation of longer-term goals. The company maintained a strong growth outlook for its key auto catalyst division despite a secular decline in diesel vehicles, while also announcing a new manufacturing facility aimed at increasing the efficiency of electric vehicle batteries.

From a geographic perspective, security selection was strongest in the United States, followed by China, Ireland, and Australia. IPG Photonics continued a string of strong quarters, up 28% on solid Q2 results. The vertically integrated maker of energy efficient fiber lasers continues to develop applications that open new opportunities outside its core cutting and welding markets. BYD Company saw its Hong Kong shares rise over 50% in Q3 helped in part by China’s announcement that all vehicles in the country would be electrified by 2030. BYD, is a global leader in NEV (new energy vehicles) as well as rechargeable batteries.

Relative performance was weakest in the Netherlands, Portugal, France, and South Korea during the period. Korean water purifier company Coway Co. saw its shares slip 10% in the quarter. Intensified domestic competition along with repercussions from a large product recall weighed on the shares. Longer term, the company’s distinct business model, ability to innovate, and large overseas opportunities should fuel a recovery.

One of the biggest challenges for a stock analyst is when a company’s “story” diverges with its “numbers”—a seemingly great idea that, for any number of reasons, does not translate into financial success. This is especially true in the ESG space where many solutions-based companies attracted by the challenges of climate change and other societal issues do not have viable business models.

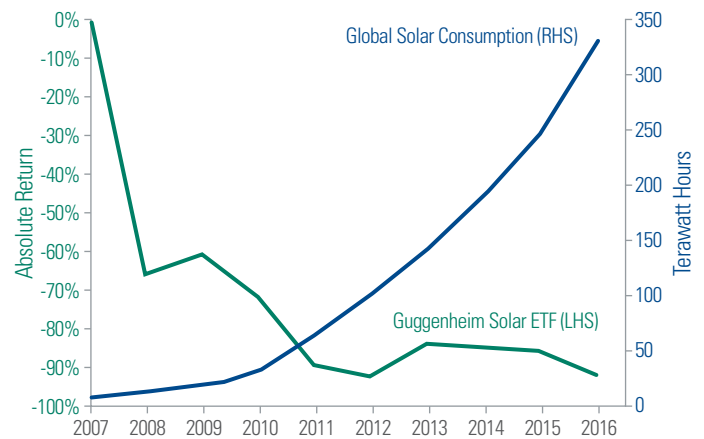
A good example can be seen in the graph to the right. Clean energy is certainly a secular growth story and demand for solar has risen steeply as prices have declined. However, the performance of solar stocks has been terrible.

No investor can avoid all such divergence “traps” but at Portfolio 21 we believe our view of quality being multi-dimensional can limit our exposure. Our search for global leaders involves identifying companies that have a quality approach to ESG or a good “story” and also quality operating fundamentals or “numbers.” We believe that by aggregating a diversified group of such companies we can produce higher than market returns with lower than market risk.

As we head into the fourth quarter of what, so far, has been a very good year for global equities, we remain cautious. It’s not so much that there will be a next downturn that worries us, there is always a next downturn. It is rather the high valuations and low volatility of this long bull market mixing with the unprecedented interconnectivity and complexity of modern financial markets that bears monitoring, with results that may be unexpected and create severe market dislocations. That said, we believe our approach will provide a steady ballast in these potentially choppy waters.

Thank you for your continued support of Portfolio 21.

### The Growth of Solar Generations vs. the Performance of Solar Stocks as of 2016



Source: BP, GMO

#### Guggenheim Solar ETF Annual Performance (as of 9/30/2017)

	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION 4/15/08
NAV	12.86%	-16.74%	9.21%	N/A	-20.58%
Market Price	11.97%	-16.65%	9.19%	N/A	-20.59%

Gross Expense Ratio: 0.88%

*Performance displayed represents past performance, which is no guarantee of future results. Investment returns and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. Current performance may be lower or higher than the performance data quoted. For performance current to the most recent month-end, please visit our website: <https://www.guggenheiminvestments.com>*

Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the fund.

Investments in ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of the shares may trade at a discount to its net asset value (“NAV”), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a Funds ability to sell its shares. References to other securities are not an offer to sell those securities.

**Alpha** is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. **Information Ratio** is a ratio of portfolio returns above the returns of a benchmark (usually an index) to the volatility of those returns. The information ratio measures a portfolio manager's ability to generate excess returns relative to a benchmark. The **Weighted Average Market Capitalization** is a stock market index weighted by the market capitalization of each stock in the index. The **Weighted Harmonic Avg fwd P/E** is the ratio of the portfolio's total market value to the total earnings of the portfolio. The **Weighted Avg P/B** is the weighted average of the price/book ratios of all the stocks in a portfolio. **Basis point (BPS)** refer to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%. **Standard deviation** is a measure of the dispersion of a set of data from its mean. The **MSCI AC Asia Pacific Index** captures large and mid cap representation across 5 Developed Markets countries and 8 Emerging Markets countries in the Asia Pacific region. The **MSCI ACWI Net total return indexes** reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. **MSCI ACWI Quality Index** is based on the MSCI ACWI Index, which includes large and mid cap stocks across 23 Developed Market (DM) and 23 Emerging Markets (EM) countries. The **MSCI Europe Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. **Price-to-Earnings Ratio** is the ratio for valuing a company that measures its current share price relative to its per-share earnings. **MSCI ACWI North American Index** is designed to measure the performance of the large and mid cap segments of the US and Canada markets. **Standard & Poor's 500 Index**, often abbreviated as the S&P 500, is an American stock market index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ.

## CONTACT INFORMATION

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*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.trilliummutualfunds.com](http://www.trilliummutualfunds.com). To obtain a prospectus for the Guggenheim Solar ETF, please visit [www.guggenheiminvestments.com](http://www.guggenheiminvestments.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. These risks are greater for investments in emerging markets. 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. The MSCI ACWI Quality Index is based on the MSCI ACWI Index and aims to capture the performance of quality growth stocks. 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.

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