



Invests in small and mid cap stocks that are well-diversified across economic sectors and meet Trillium's sustainability criteria.

PORTFOLIO COMMENTARY

The Small/Mid Cap Core strategy slightly underperformed its benchmark for the quarter, net of fees.

At quarter end, the portfolio contained 72 stocks, representing ten of the eleven economic sectors comprising the S&P 1000 index. The portfolio currently does not have a Telecommunication holding, as our prior holding, SBA Communications, converted to a REIT and now resides in that economic sector. During the quarter, relative to the sector weights in the S&P 1000, the portfolio was overweight the Healthcare, Industrials, and Consumer Discretionary sectors. The portfolio was underweight Energy, Materials, Real Estate, and Consumer Staples. We were essentially market weight in Financials, Information Technology, and Utilities.

During the quarter we initiated a few new positions including BlackBaud, a cloud based software provider that exclusively serves the global philanthropic marketplace. The company's core product is known as a DMS, or Donor Management System. Blackbaud participates across a diversified group of end markets and has the leading market share in this niche market and should continue to gain share as the market remains highly fragmented. One position we exited

>> *Continued*

PERFORMANCE (as of 3/31/2017)

		FUND	S&P 1000	RUSSELL 2500
Quarter	Return (%)	2.1%	3.1%	3.8%
YTD	Return (%)	2.1%	3.1%	3.8%
1 Year	Return (%)	17.5%	22.0%	21.5%
Since Inception (8/31/15)	Return (%)	7.4%	15.5%	12.4%
Gross Expense Ratio (%)		11.1%*		

Performance data quoted represents past performance; past performance does not guarantee future results. The Russell 2500 is provided as supplemental information. 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. The fund imposes a redemption fee of 2.00% on shares held for 90 days or less. Performance data does not reflect the redemption fee. If it had, returns would be reduced. Performance data current to the most recent month end may be obtained by calling 800-853-1311.

*Total Annual Fund Operating Expenses Ratio after Fee Waiver and/or Expense Reimbursement for TSMDX is 1.00%. This is what the investor has paid. Trillium Asset Management, as advisor to TSMDX, has contractually agreed to reduce our fees to 0.98% through July 30, 2017.

INVESTMENT ADVISOR OVERVIEW

- Trillium Asset Management is a Boston based firm started in 1982
- Over \$2 billion in assets under management
- Over \$200 million in model-driven platform assets
- Employee owned, with broad distribution of shares
- Deep expertise in domestic equities with a focus on full Environmental, Social, and Governance (ESG) integration

INSTITUTIONAL

Symbol.....	TSMDX
Inception Date	08.31.15
Minimum Investment	\$100,000
Gross Expense Ratio	1.32%*

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

INVESTMENT ADVISOR

Trillium Asset Management
Two Financial Center
60 South Street
Suite 1100
Boston, MA 02111
800.853.1311

SECTOR WEIGHTINGS

SECTOR	PORTFOLIO %	S&P 1000 %
Consumer Disc.	13.2%	12.7
Consumer Staples	3.2%	4.1
Energy	1.5%	3.3
Financial Services	17.2%	16.5
Health Care	10.4%	9.4
Industrial Goods	17.0%	16.0
Materials	7.5%	7.3
Real Estate	8.3%	8.6
Technology	16.8%	17.0
Telecommunications	0.0%	0.5
Utilities	4.8%	4.6

CHARACTERISTICS

Benchmark	S&P 1000
Inception Date	August 31, 2015
Fund Assets	\$8.6 million
Holdings	60-70
Max Position Sizes	5%
Target tracking Error	4-5%
Sector Deviation +/-	3%
Asset Allocation:	
as of 3/24/2017	
Equities:	98.3%
Cash:	1.12%
Weighted Avg Market Cap (\$ bil):	
Portfolio:	\$6.2m
S&P 1000:	\$4.2m
Weighted Harmonic Avg fwd P/E (x)	
Portfolio:	20.5
S&P 1000:	20.1
Weighted Avg P/B (x):	
Portfolio:	2.9
S&P 1000:	2.4

TOP TEN HOLDINGS

COMPANY	% OF FUND	SECTOR
Panera Bread Co	2.3	Consumer Discretionary
Cambrex Corp	2.0	Health Care
Wabtec Corp	1.9	Industrial Goods
Minerals Technologies Inc.	1.8	Materials
Hexcel Corp	1.8	Industrial Goods
Reinsurance Group of America Inc	1.8	Financial Services
United Natural Foods, Inc.	1.7	Consumer Staples
Hologic, Inc.	1.7	Health Care
LogMeIn Inc	1.7	Technology
East West Bancorp, Inc.	1.7	Financial Services

was Nordstrom, a premium department store. The Company is a high-end player in the department store space and we viewed it as “the best house in a bad neighborhood,” but as the secular challenges have intensified we no longer felt this was enough to justify holding the name.

Relative to the S&P 1000, the contribution from sector weighting was positive. Our continued underweight to the Energy sector was beneficial to our performance given it was the weakest performing sector in the S&P 1000, declining 13.9% versus a +3% rise for the index as a whole.

Overall, we saw negative impact from stock selection, with Consumer Discretionary and Healthcare detracting from performance. The portfolio’s top two detractors were in specialty retail — Tailored Brands (-40.8%) and Lululemon (-21.9%) — where despite fourth quarter results largely

in-line to above expectations, a softer start to 2017 for both companies raised concerns. Consumer apparel spending trends remain choppy and with the channel shift to ecommerce, specialty retail chains are being increasingly challenged, but we believe these two names are well positioned over the long term. Within Healthcare, Five Prime Therapeutics (-26.6%), a small cap biotech play, was hit based on growing concerns about a key client, Bristol Myers, stumbling with development of a new cancer drug. Other detractors in the portfolio included Palo Alto Networks (-9.2%), which continued to trend lower after disappointing quarterly results, and Convergys (-13.5%), an IT outsourcing play that has been caught up in group weakness given the Trump administrations pledge to focus on domestic employment.

>> Continued

Top 5 Contributors (%)	PORTFOLIO RETURN	RELATIVE CONTRIBUTION
Panera Bread Co.	27.69	0.49
Zendesk, Inc.	29.95	0.28
IPG Photonics Corporation	22.28	0.25
Owens-Illinois, Inc.	17.06	0.20
Maxim Integrated Products, Inc.	17.31	0.20

Top 5 Detractors (%)	PORTFOLIO RETURN	RELATIVE CONTRIBUTION
Tailored Brands, Inc.	-40.82	-0.62
Lululemon Athletica Inc	-21.90	-0.36
United Natural Foods, Inc.	-9.41	-0.29
Convergys Corporation	-13.50	-0.22
Palo Alto Networks, Inc.	-9.24	-0.21

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 3/31/17 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.

PORTFOLIO COMMENTARY *Continued*

Stock selection in Financials and Energy had a positive contribution to performance, though neither sector had one standout contributor. Within Financials, our regional banks as a group performed better than the benchmark, while in Energy it was what we did not own that helped - Oil and Gas heavy names.

Our top contributor in the quarter was fast casual restaurant chain, Panera Bread Company. The Company delivered strong same store sales in a choppy restaurant environment as its investments of the past year continue to bear fruit. We had a number of solid performers in the Information Technology sector, with Zendesk (+30.0%), a help desk cloud play, IPG Photonics (+22.3%), a manufacturer of high performance fiber lasers, and Maxim Integrated Products

(+17.3%), a broad line semiconductor play, all falling in the top 5 contribution list for the first quarter given positive reactions to solid quarterly results. Rounding out the top five was Owens-Illinois (+17.1%), a glass container manufacturer, that has benefited from a new management team that is focused on more consistent execution and building investor confidence.

With a lot of unknowns related to the policies of the current administration, and continued intra-market volatility, we continue to keep our sector/industry exposure close to our benchmark. As always, we will continue to monitor valuations; looking to take profits in our winners and reallocating the funds to names that we feel have been overly penalized by the swings in the market.

PORTFOLIO MANAGERS



Laura L. McGonagle, CFA

- Former Equity Research Analyst at Adams, Harkness, and Hill as sell-side analyst in “Healthy Living” group, covering specialty consumer stocks addressing the consumers’ growing awareness of the impact of nutrition, environment, and lifestyle choices on their well-being
- B.A., Quantitative Economics, Tufts University



Matthew W. Patsky, CFA

- Former Director of Research, Chairman of the Investment Committee, and PM at Winslow Management Company
- First sell-side analyst in U.S. to publish on the topic of socially responsible investing in 1994
- Serves on the Boards of Environmental League of Massachusetts (ELM), Shared Interest, and Pro Mujer
- Member of the Social Venture Network (SVN)
- B.S., Economics, Rensselaer Polytechnic Institute

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.

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 866-209-1962, or visiting trilliummutualfunds.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. **Earnings growth is not a measure of the Fund's future performance.**

References to other mutual funds should not to be considered an offer to buy or sell these securities.

Trillium's Small / Mid Cap 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 and medium companies, which involve additional risks such as limited liquidity and greater volatility. Trillium's Small / Mid Cap Fund 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. Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. Diversification does not assure a profit or protect against a loss in a declining market.

The S&P Indices are widely recognized, unmanaged indices of common stock. The S&P 1000 combines the S&P MidCap 400 and the S&P SmallCap 600, to form a benchmark for the small-mid cap universe of the U.S. equity market. 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.

The S&P 400 Index serves as a barometer for the U.S. mid-cap equities sector. The S&P 600 Index covers a broad range of small cap stocks in the United States.

The Russell 2500 is a market cap weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities.

An investment cannot be made directly in an index.

Trillium Asset Management is the advisor to the Trillium Small/Mid Cap Fund and the Portfolio 21 Global Equity Fund which are distributed by Quasar Distributors, LLC.



Delivering Sustainable Investments Since 1982SM