Environmental Justice:
A History of Trillium's Engagement

Your ZIP code should not determine whether the air you breathe is clean, the water from your tap is safe to drink, or if the land in your backyard is free of toxic substances.

Sadly, these are challenges many low-income communities and communities of color live with every day.

Commercial activities have, in part, influenced these outcomes. We think companies should be held accountable where their operations, products, services, or financing contribute to environmental and social harms. This is why environmental justice is a cornerstone of Trillium Asset Management's shareholder advocacy and one of our values. We view environmental justice as central to our mission of advancing humankind towards a global sustainable economy, a just society, and a better world.

Environmental justice impacts often trace back to redlining, failures to invest in infrastructure, and unequal political and economic power.[1] The effects of industrial pollution, contaminated land and water, hazardous waste, and other environmental burdens are asymmetrically distributed. Harms to affected communities also generate risks to companies. Companies that fail to mitigate or address their impacts on surrounding communities may face heightened operational, legal, regulatory, and reputational risks.[2] For Trillium, environmental injustice presents both a values tension and a potential investment risk.

We believe a better world is possible. As a socially responsible investment firm, Trillium engages our portfolio companies on their environmental justice policies and impacts with three goals in mind: 1) strengthened awareness of environmental justice, 2) ownership of negative impacts, and 3) implementation of durable policies and practices that address environmental justice risks.

[1] Investor Environmental Health Network – The Business Case for Addressing Environmental Justice
[2] Ibid.

How Trillium Approaches Environmental Justice

Trillium draws from the U.S. Environmental Protection Agency's legacy definition of environmental justice: the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation and enforcement of environmental laws, regulations and policies.[3]

Environmental justice cases typically materialize in one of two ways. Sometimes, they are sudden events. Chemical accidents can release toxic emissions with effects rippling for decades. More often, cumulative pollution, waste disposal practices, and disinvestment in infrastructure over time lead to environmental degradation and poor community health outcomes. This shows up as undrinkable water, toxic soil, and unusually high rates of diseases like asthma and cancer.[4]

> The people most affected [by environmental justice issues] may include local residents, Indigenous peoples, community organizations, and workers, whose lived experience is often missing from boardroom discussions.

Trillium believes companies whose operations affect the environment and negatively impact local communities have a responsibility: to prevent harm, repair it when it occurs, and meaningfully engage the people most affected to create solutions. The people most affected may include local residents, Indigenous peoples, community organizations, and workers, whose lived experience is often missing from boardroom discussions. This goes beyond legal compliance and addresses the needs of affected communities.

Trillium applies this framing across sectors and issue areas, including air pollution, water quality, toxic chemical exposure, land contamination, waste management, and the financing of environmentally harmful projects. In our engagements, we urge companies to embed environmental justice considerations into core practices; disclose relevant policies, governance structures, and metrics; strengthen community engagement; and identify steps to prevent or reduce harm where relevant.

Centering Community Voices

Community perspectives are rarely addressed in boardrooms, but Trillium has long believed that we need more inclusive business models. Companies should consider the needs of their stakeholders, not just their shareholders. One practical step we can take is to amplify community perspectives using the unique tools and corporate access available to us as investors.

In practice, this looks like engaging with grassroots organizations, conducting site tours, incorporating community priorities into shareholder proposals and dialogue, and, where possible, supporting opportunities for community representatives to speak directly with executives and directors.

This commitment has driven Trillium's advocacy for decades. In 1995, Trillium co-filed our first environmental justice shareholder proposal at Intel, centered on chemical safety, water use, emissions, and community concerns related to manufacturing operations in New Mexico. We later engaged Honeywell in 2006 about pollution concerns at Onondaga Lake (a sacred site to the Onondaga Nation in New York); PPG and other companies between 2009 and 2012 regarding operations in Louisiana's Cancer Alley; and Marathon Petroleum in 2018 regarding refinery-related impacts and reparations in southwest Detroit.

Trillium's history underscores the importance of persistence. Environmental justice issues are typically not resolved quickly, especially if we engage companies on chronic, long-standing issues. Progress can also be incremental. We recognize that this is unfair and frustrating to impacted communities. It is our hope that sustained attention can help shift expectations for corporate transparency, accountability, and community responsiveness.

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[3] US EPA 2021
[4] American Public Health Association, Environmental Justice

Recent Engagements & Progress

In recent years, Trillium has continued to advance environmental justice through engagements that encourage companies to evaluate their practices more systematically and transparently.

Becton Dickinson (2022-2024): Becton Dickinson, a medical devices company, was an early adopter of the Chemical Footprint Project's disclosure framework, which provided a foundation for further engagement on environmental justice-related transparency. However, given that high-polluting facilities are disproportionately sited in communities of color in the U.S., Trillium and other investors believed that companies should address potential disparate environmental impacts. This spurred us to engage Becton Dickinson in 2022 and we co-filed a proposal asking the company to assess whether any U.S. facilities may contribute to heightened health or environmental impacts on adjacent communities of color or low-income communities. We withdrew the proposal after Becton Dickinson agreed to include environmental justice disclosures in future reporting. Following engagement with Trillium and others, Becton Dickinson published such disclosures in its 2023 sustainability report.[5] For Trillium, the engagement reflected an important point: environmental justice is relevant beyond traditional heavy industry. Manufacturing, equipment sterilization, emissions, waste, or supply chain activities of companies may all affect neighboring communities.

Waste Management (2021-2024): Some of the earliest, widely-known examples of environmental racism in the U.S. emerged in the waste industry. Research shows a high correlation between race and the siting of hazardous waste facilities.[6] For that reason, engaging with sanitation companies to address historic inequities is important. With members of the Investor Environmental Health Network, Trillium began engaging Waste Management in 2021 on opportunities to strengthen transparency and governance related to environmental justice. Waste Management has since disclosed additional information on its environmental justice approach, including community analysis using demographic and environmental data, and has described processes intended to support stakeholder engagement and ongoing review.[7] Trillium views this type of data-driven transparency as a useful foundation for stronger accountability and more informed dialogue with communities.

Trillium is motivated by the conviction that everyone has the right to clean air, land, and water and participation in the decision-making processes that affect where they live, work, and play.

American Water Works (2021-2026): Building on several years of voicing the need for American Water Works to take a closer look at its racial equity impacts, Trillium decided to narrow our focus to environmental justice in 2023. We filed a shareholder proposal asking American Water Works to undertake an independent environmental justice assessment of its operations after becoming aware of a community-opposed desalination plant project and allegations of unsafe water in a low-income Black community.[8] Following dialogue, Trillium withdrew the proposal when the company committed to the assessment.[9] In 2025, American Water completed the assessment. We believe the assessment is a notable public example of a U.S. private water utility evaluating environmental justice across its operations. The assessor's recommendations included integrating community data to identify potential blind spots and investing more resources related to environmental justice and community engagement. The American Water Works story illustrates how proactive investor engagement can encourage corporations to take practical steps to integrate environmental justice into business practices.

[5] Becton Dickinson 2023 Corporate Sustainability Report
[6] Investor Environmental Health Network – The Business Case for Addressing Environmental Justice
[7] Waste Management Community Engagement – Environmental Justice
[8] CalMatters, Belleville News-Democrat
[9] American Water Response to Shareholder Proposal Withdrawal

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Looking Ahead

Trillium is motivated by the conviction that everyone has the right to clean air, land, and water and participation in the decision-making processes that affect where they live, work, and play. We believe sustainability depends upon a balance of equity, ecology, and economy, and that our efforts should contribute towards the achievement of this balance. From early engagements on chemical safety and toxic contamination to more recent work with utilities, manufacturing, and waste companies, Trillium has sought to activate our clients' capital to amplify the lived realities of frontline communities. Trillium will continue to press companies to assess negative impacts (particularly where they are inequitably distributed), engage meaningfully with affected stakeholders, and address risks proactively – with the goal of helping to embed the needs and rights of communities in companies' environmental policies and practices.

About Trillium Asset Management

Trillium Asset Management offers investment strategies and services that advance humankind towards a global sustainable economy, a just society, and a better world. For over 40 years, the firm has been at the forefront of ESG thought leadership and draws from decades of experience focused exclusively on responsible investing. Trillium uses a holistic, fully integrated fundamental investment process to uncover compelling long-term investment opportunities. Devoted to aligning stakeholders' values and objectives, Trillium combines impactful investment solutions with active ownership. The firm delivers equity, fixed income, and alternative investments to institutions, intermediaries, high net worth individuals, and other charitable and non-profit organizations with the goal to provide positive impact, long-term value, and 'social dividends'™.

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