Sustainable, Responsible and Impact Mutual Fund and ETF Chart

Fund Profile:
Calvert Balanced Portfolio I

General Fund Information

Ticker: CBAIX

Assets under management (AUM): $902.3M (in US$ millions)

General Fund Type: Balanced Funds

Specific Sizes or Types of Investments: Small-, mid-, and large-capitalization equities, fixed income securities

Financial Objective: Seeks a competitive return through an actively managed portfolio of stocks, bonds and money market instruments, which offer income and capital growth.

Specific ESG Focus: Each Fund seeks to invest in companies and other enterprises that demonstrate positive ESG performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, Indigenous Peoples’ rights, community relations, product safety and impact, and corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company performance as well as to investment performance. Each Fund has developed sustainable and socially responsible investment criteria, detailed below. These criteria represent ESG standards which few, if any, organizations totally satisfy. As a matter of practice, evaluation of a particular organization in the context of these criteria will involve subjective judgment by Calvert and the Subadvisors, drawing on the Fund’s longstanding commitment to economic and social justice. All sustainable and socially responsible investment criteria may be changed by the Board of Trustees/Directors without shareholder approval.

To invest, call: 800-368-2748

Fund Institution Information

Institution Name:
Calvert Research and Management

Mutual Funds Description: Established in 1976, Calvert is a diversified investment management firm serving individual and institutional investors. Offers a wide array of products including more than 40 equity and fixed income mutual funds, workplace retirement options, and a national 529 college savings program. Recognized as a leader in taxable bond investing, Calvert also manages the largest family of mutual funds in the US that feature integrated environmental, social, and governance research.

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Account Minimums

Minimum Account: $1 million

Minimum IRA: N/A

Methodology

Screening Venue: In-house

Screening Party: Calvertâ€™s Sustainability Analysts

Screening Database Used: Calvert Proprietary Database

Screening Process: The Funds seek to invest in companies that: â€¢ Take positive steps to improve environmental management and performance, advance sustainable development, or provide innovative and effective solutions to environmental problems through their products and services. â€¢ Maintain positive diversity, labor relations, and employee health and safety practices, including inclusive and robust diversity policies, programs and training, and disclosure of workforce diversity data; have strong labor codes ideally consistent with the International Labor Organization (â€œILOâ€œ) core standards, comprehensive benefits and training opportunities, and sound employee relations, as well as strong employee health and safety policies, safety management systems and training, and positive safety performance records. â€¢ Observe appropriate international human rights standards in operations in all countries. â€¢ Respect Indigenous Peoples and their lands, cultures, knowledge, environment, and livelihoods. â€¢ Produce or market products and services that are safe and enhance the health or quality of life of consumers. â€¢ Contribute to the quality of life in the communities where they operate, such as through stakeholder engagement with local communities, corporate philanthropy and employee volunteerism. â€¢ Uphold sound corporate governance and business ethics policies and practices, including independent and diverse boards, and respect for shareholder rights; align executive compensation with corporate performance, maintain sound legal and regulatory compliance records, and disclose environmental, social and governance information. The Funds seek to avoid investing in companies that: â€¢ Demonstrate poor environmental performance or compliance records, or contribute significantly to local or global environmental problems; or own or operate nuclear power plants or have substantial contracts to supply key components in the nuclear power process. â€¢ Are the subject of serious labor-related actions or penalties by regulatory agencies or demonstrate a pattern of employing forced, compulsory or child labor. â€¢ Exhibit a pattern and practice of human rights violations or are directly complicit in human rights violations committed by governments or security forces, including those that are under U.S. or international sanction for grave human rights abuses, such as genocide and forced labor. â€¢ Exhibit a pattern and practice of violating the rights and protections of Indigenous Peoples. â€¢ Demonstrate poor corporate governance or engage in harmful or unethical business practices. â€¢ Manufacture tobacco products. â€¢ Are significantly involved in the manufacture of alcoholic beverages. â€¢ Have direct involvement in gambling operations. â€¢ Manufacture, design, or sell weapons or the critical components of weapons that violate international humanitarian law; or manufacture, design, or sell inherently offensive weapons, as defined by the Treaty on Conventional Armed Forces in Europe and the UN Register on Conventional Arms, or the munitions designed for use in such inherently offensive weapons. â€¢ Manufacture or sell firearms and/or ammunition. â€¢ Abuse animals, cause unnecessary suffering and death of animals, or whose operations involve the exploitation or mistreatment of animals. â€¢ Develop genetically-modified organisms for environmental release without countervailing social benefits such as demonstrating leadership in promoting safety, protection of Indigenous Peoplesâ€™ rights, the interests of organic farmers and the interests of developing countries generally. With respect to U.S. government securities, Calvert Balanced Portfolio, Calvert Equity Portfolio and Calvert Large Cap Core Portfolio invest in debt obligations issued by the U.S. government (i.e., Treasury securities) or guaranteed by agencies or instrumentalities of the U.S. government whose purposes further, or are compatible with, the Fundsâ€™ sustainable and socially responsible investment criteria.

Proxy Voting Information

Proxy Voting Guidelines or Policies: Open external link in new window

Proxy Voting Records: Open external link in new window

Specific Screening Information by Category
Environment

- **Climate / Clean Technology**: *Combination of Positive and Restricted/Exclusionary Strategies* - Over the past decade, Calvert has made moving the needle on the issue of climate change a business priority in terms of our investment products, advocacy efforts, and our own corporate public policies and carbon footprint. Calvert works actively with a number of organizations, including the Carbon Disclosure Project (CDP), and the Investor Network on Climate Risk (INCR), to advance climate change solutions. To adapt to climate change, we believe governments, businesses, and investors need to focus sharply on developing alternative energy, energy efficiency, and the broadest array of energy options.

- **Pollution / Toxics**: *Combination of Positive and Restricted/Exclusionary Strategies* - We favor companies that find opportunities to mitigate their environmental footprint, have better-than-average environmental records relative to their industry peers, and are responsive to stakeholders. Calvert seeks to invest in companies that: â€¢ Demonstrate leadership in addressing climate change through appropriate policies and strategies, energy efficient operations, and the development of renewable energy and other alternative environmental technologies; â€¢ Disclose sources of environmental risk and liability and take actions to minimize exposure to future risk; â€¢ Implement natural resource conservation and efficiency programs as well as strong pollution prevention programs, and demonstrate a strategy toward sustainable development; and â€¢ Integrate environmental sustainability and responsiveness at management and board levels, and have programs to engage stakeholders for environmental improvement.

- **Other Environmental**: *Combination of Positive and Restricted/Exclusionary Strategies* - We assess corporate compliance with federal, state, and local environmental regulations, as well as beyond-compliance commitments such as design for environment and energy efficiency programs. We favor companies that have solid environmental records relative to their industry peers. We also search for companies that are outstanding in their environmental practices. From a sustainability perspective, Calvert evaluates energy options and the companies involved in energy development in the dual contexts of addressing both climate change and the worldâ€™s escalating energy demands. In weighing energy options, governments, investors, businesses, and the public face tough policy and investment choices in working to secure a sustainable future. Overall, Calvert favors companies in the energy sector that are developing leading sustainable technologies and alternative energy options that reduce carbon emissions and that meet strict environmental and public safety standards. Since water supports all life, Calvert regards access to clean, affordable water and adequate sanitation as a basic human right. Accordingly, we believe every company whose products or services entail water usage has a corporate responsibility to enforce sustainable practices across its supply chain. At its most fundamental level, water supply is a local issue, affecting communities, work opportunities, agriculture, families, and a regionâ€™s social welfare. While water issues cut across all industries, the industries presenting the greatest sustainability risks are those that require a high volume of water, a supply of clean water, or face risk from intensifying water competition. Companies that rely directly on water for their products, such as those in the beverage and agricultural industries, pose the highest risks. In addition, clothing manufacturers, food and drug companies, hotels and resorts, and chemical companies are greatly dependent on water for the production of their goods or services and are closely scrutinized by Calvert. The oil and gas industries, where water is a critical process ingredient to almost all areas of exploration and production, are also closely monitored.

Social

- **Community Development**: *Positive Investment* - We include and invest in companies that have built solid relationships with the local communities in which they operate. We examine philanthropy, employee volunteerism, and support of women-and minority-owned businesses. We look for companies to invest in that: â€¢ Demonstrate a solid commitment to the communities in which they operate; â€¢ Develop programs that target neglected communities, including low-income and minority populations; and â€¢ Build strong working relationships with local and community development organizations.

- **Diversity & Equal Employment Opportunity**: *Combination of Positive and Restricted/Exclusionary Strategies* - Calvert seeks disclosure of policies, programs, and performance metrics in three areas: diversity, labor relations, and employee health safety. Evaluations focus on quality of policies and programs, compliance with national laws and regulations, and proactive management initiatives. Calvert invests in companies that demonstrate inclusive diversity policies, fair treatment of all employees, robust diversity programs and training, and disclosure of workforce diversity data.

- **Human Rights**: *Combination of Positive and Restricted/Exclusionary Strategies* - For many years, Calvert has led initiatives pressing companies and entire industries to respect human rights from improving factory labor practices, curtailing human trafficking in global supply chains, and divesting from Sudan to promoting freedom of expression and the right to privacy on the Internet. Calvert believes it is critical for companies to adopt core human rights standards throughout their operations and proactively manage human rights-related risks. Calvert evaluates corporate policies and actions in many areas. We work directly with companies and with coalitions of investors, human rights groups, and industry leaders to establish global standards and effect change from the top-down. For example, we participated in the SEC rule-making process of the Dodd-Frank Act provisions that require companies...
to disclose their efforts to source and remove conflict minerals from their supply chains. Calvert has also pressed companies to endorse the UN Declaration on the Rights of Indigenous Peoples and to accept the principle of Free, Prior, and Informed Consent (FPIC) as the standard for operating in proximity to indigenous lands and communities. In the area of the Internet, Calvert joined the multi-stakeholder Global Network Initiative (GNI) to establish international, baseline human rights standards for technology companies and governments with regard to freedom of expression and privacy issues. In our view, companies that directly and aggressively address human rights issues can reduce these business risks and costs, facilitate overseas expansion, protect and extend their brand reputation, and generate valuable goodwill among consumers, investors, and the community.

- **Labor Relations: Combination of Positive and Restricted/Exclusionary Strategies** - Calvert believes that safety, freedom, and dignity in the work environment are fundamental rights, regardless of an employee’s country of origin, gender, race, or socioeconomic status. To that end, we urge companies to establish robust codes of conduct, with strong labor and safety provisions, and to take active steps to enforce them across their global operations. Fostering safe work environments and high labor standards is not only the right thing to do for the health and well-being of employees; it also yields multiple benefits for the community, the environment and, ultimately, the company itself.

- **Conflict Risk:** No Investment - Our stand on Sudan is entirely appropriate for Calvert, consistent with our commitment to human rights since our pioneering decision in 1982 not to invest in companies doing business in South Africa’s then-apartheid regime. That was the first such commitment made by any US socially responsible investment firm, or by any mutual fund.

### Governance

- **Board Issues: Combination of Positive and Restricted/Exclusionary Strategies** - For over two decades, Calvert has regarded board diversity as a critical governance goal. A company’s board membership should broadly reflect its customer base and employees. The array of viewpoints, skills, background, and experience provided by boards whose members have diverse backgrounds gives the company a broader foundation to draw upon for strategic decision-making especially in today’s highly competitive, global marketplace. We believe that to be marketplace leaders, companies must actively seek women and minority candidates for their boardrooms.

- **Executive Pay:** Combination of Positive and Restricted/Exclusionary Strategies - Doling out excessive payments to executives at the expense of other employees is in direct contrast to shareholders’ interests and often increases employee turnover. We have found that excessive executive compensation during a period of lackluster business performance may be an early indication of bigger trouble at a company. Poorly designed compensation programs that encourage executives to manage for short-term performance at the expense of long-term profitability are another concern, potentially compromising the governance goals of a corporation. We strongly believe it is in the best interests of a firm to align senior management’s risks and rewards with those of employees, shareholders, and the long-term performance of the corporation. Pay-for-performance compensation plans, for example, typically link executive compensation to clearly defined and rigorous criteria.

### Products

- **Alcohol:** Combination of Positive and Restricted/Exclusionary Strategies

- **Defense/Weapons:** Combination of Positive and Restricted/Exclusionary Strategies - Warfare and the devastation it entails are deplorable. The far-ranging, destructive impact of war on populations, local and Indigenous cultures, the environment, and regional economies, is self-evident. Yet, Calvert believes that under certain circumstances—especially in response to threats to national security, terrorism, and humanitarian crises—military intervention may be necessary when diplomacy has failed. Moral ambiguities arise, however, when defensive or humanitarian missions employ the same types of weapons and force that are used in conventional warfare. In view of these complexities, governments and people may question, in any given conflict, whether armed force and the use of weapons is necessary or justified. Sustainable and responsible (SRI) investors and others who wish to avoid supporting certain aspects of war may find it difficult to consider investing in companies involved in weapons-related businesses, such as weapons production, weapons technology, chemicals, or the production of other materials used in conflicts. This difficulty is compounded when these products also have commercial or scientific applications that generally advance society. International Treaties Offer Guidelines That’s why, at Calvert, we evaluate companies according to several objective, internationally accepted standards, including international humanitarian law (IHL). * We also follow the guidelines under the Treaty on Conventional Armed Forces in Europe (CFE) and the UN Register on Conventional Arms that relate to inherently offensive weapons. Also known as the laws of war, IHL issues from the Geneva and Hague Conventions and is adhered to by the 192 member states of the United Nations. IHL seeks to protect civilians, property, medical personnel, and others not directly involved in fighting and discourages or bans outright certain methods of warfare such as land mines, cluster bombs, blinding laser weapons, and weapons of mass destruction. IHL states that the use of these weapons causes injury or suffering beyond what is necessary to achieve a legitimate military objective. Inherently Offensive Weapons In terms of inherently offensive weapons, Calvert has determined that both the CFE and the UN Register are the appropriate international standards upon which to base our analysis of different forms of
weaponry. The CFE has the force of law because it has been ratified by the US government and dozens of European countries. The UN Register fills the gaps in the CFE and also carries with it the imprimatur of the United Nations. Together, they provide Calvert with criteria grounded in law and foreign policy custom. From both a sustainability and investment perspective, the issues surrounding global conflict are clearly complex and this complexity will grow with the increasing use of drones, robots, and other new technologies. Calvert believes the international laws of war provide a valuable framework for helping investors sort through the difficult issues surrounding modern-day weaponry and warfare and for evaluating companies involved in these areas. *It is important to note that IHL is distinct from, but complementary to, international human rights law. While human rights law protects individuals at all times, IHL only applies in situations of armed conflict. An important note on firearms and nuclear weapons: Calvert believes that civilian firearms, including hand guns, are a separate issue from weapons of warfare and fall under the umbrella of Calvert's product safety criteria. Nuclear weapons are not covered under IHL since they cannot distinguish between military and civilian targets. Calvert has determined that nuclear weapons violate the spirit of IHL and therefore does not invest in companies that produce, manufacture, or distribute them.

- **Gambling: Restricted/Exclusionary Investment** - Calvert generally avoids investing in companies in the alcohol, tobacco, and gambling industries due to their inherently harmful effects. Many of our portfolios entirely exclude companies that manufacture cigarettes, cigars, loose tobacco, and chewing tobacco, although we recognize the cultural and religious importance of tobacco to many Indigenous Peoples. We also generally avoid investing in companies with direct involvement in the gambling industry, such as casinos, equipment providers, and gaming establishments, including cruise ships. However, Calvert also recognizes that many Native American groups rely on gambling as a source of tribal income, and that this revenue may be used to finance schools, roads, or other community projects. Accordingly, at times we may invest in debt projects offered by tribal gambling businesses that appear socially beneficial. In the area of alcohol, we may also consider for investment companies, including restaurants and retailers, that derive only a small portion of their revenues from alcohol sales, as long as the company is otherwise attractive from both a financial and sustainability perspective.

- **Tobacco: Restricted/Exclusionary Investment** - Calvert generally avoids investing in companies in the alcohol, tobacco, and gambling industries due to their inherently harmful effects. Many of our portfolios entirely exclude companies that manufacture cigarettes, cigars, loose tobacco, and chewing tobacco, although we recognize the cultural and religious importance of tobacco to many Indigenous Peoples.

**Other**

- **Other/Qualitative: Shareholder resolutions** Any shareholder with $2,000 of company stock, held for one year, can file a resolution calling on a company to take a particular action, such as changing a company policy or asking the company to report to its shareholders on a particular issue of concern. If not settled favorably and withdrawn beforehand, these resolutions may come to a vote in front of all shareholders at the company's annual meeting. Calvert routinely files or co-files up to three dozen resolutions each year with a wide range of companies on our priority objectives. Working in coalitions Calvert believes there is power in numbers; we often partner with other major investors and NGOs representing a wide range of voices and interests to advance common objectives. Calvert can be a co-filer of a shareholder resolution or participate in multi-stakeholder dialogue around industries or particular companies, conduct joint research, and play an active role in broad-based public policy platforms. Dialogue with company executives Before investing, Calvert regularly initiates conversations with company management as part of our sustainable research process and corporate engagement. Through periodic calls, letters, and in-person meetings, Calvert continues its dialogue with management of companies in which we invest. These interactions provide Calvert with a sharper sense of the company's commitment to, and performance on, ESG issues, enabling us to press for improvement in specific areas of concern. Multi-stakeholder dialogues Calvert works with other investors, corporations, and members of civil society to formulate standards and principles for new and challenging corporate responsibility issues. Such exercises present efficient and effective ways to raise standards across an entire industry.

- **Shareholder Engagement - Shareholder Resolutions:** Filed or co-filed with companies on environmental, social or governance issues
- **Shareholder Engagement - Private Dialogue:** Conducted with companies on environmental, social or governance issues

**Performance Data**

- **Data provided by:** Bloomberg - Information current as of January 31, 2020
- **Year-to-date rate of return:** 1.2%
1-year rate of return: 19.16%
3-year rate of return: 10.71%
5-year rate of return: 7.95%
10-year rate of return: 9.49%
Previous year rate of return: 24.05%
Management fee: 0.52%
Expense ratio: 0.62%
Standard deviation: 4.93%
Benchmark used: Russell 1000 | External link

Disclaimer: Investment in mutual funds involves risk, including possible loss of principal invested. You could lose money on your investment in the Fund or the Fund could underperform because of the following risks: the market prices of stocks or bonds may decline; the individual stocks or bonds in the Fund may not perform as well as expected; and/or the Fund’s portfolio management practices may not work to achieve their desired result. The fixed-income portion of the Portfolio is subject to interest rate risk and credit risk. As interest rates rise, bond prices generally decrease. The prices of long-term bonds are more sensitive to changes in interest rates than the prices of short-term bonds. For more information on any Calvert mutual fund, please contact your financial advisor or call Calvert at 800.368.2748 for a free prospectus. An investor should consider the investment objectives, risks, charges, and expenses of an investment carefully before investing. The prospectus contains this and other information. Read it carefully before you invest or send money. Calvert Distributors, Inc., member NASD, a subsidiary of Calvert Group, Ltd.