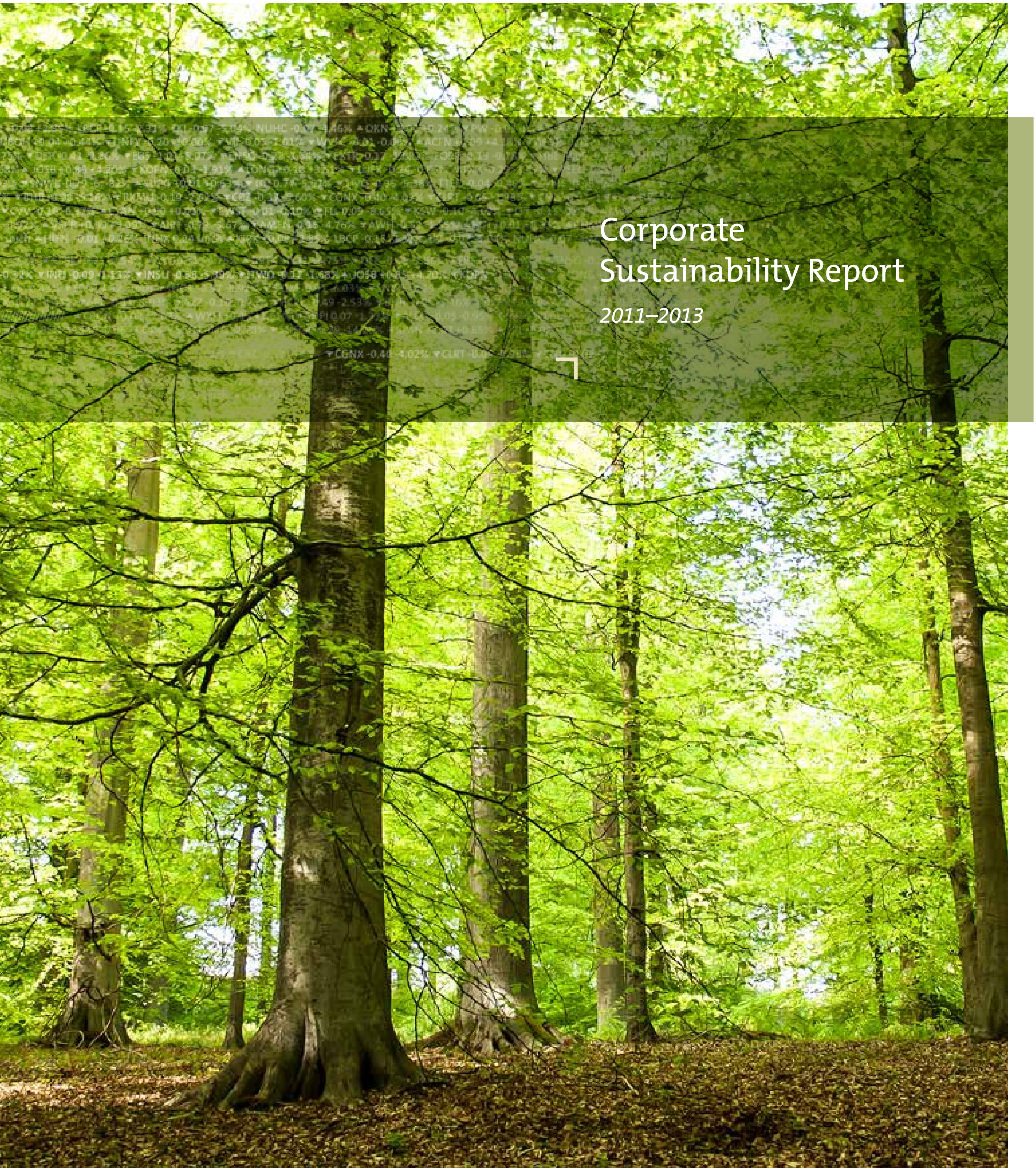


Corporate Sustainability Report

2011–2013

Calvert
INVESTMENTS

Table of Contents

CEO Statement

BARBARA J. KRUMSIEK
President, Chief Executive Officer and Chair of Calvert Investments, Inc.

We are pleased to share Calvert's 2011–2013 Sustainability Report. This report is based on GRI guidelines, the UN Global Compact (UNGC) principles in the areas of human rights, labor, environment and corruption and the CEO Water Mandate. Each of these areas align closely with our investment criteria, shareholder advocacy and public policy initiatives. As part of Calvert's core mission, we harness the power of investment to strengthen corporate responsibility and contribute to global sustainability.

Over the past three years, Calvert has addressed and engaged companies directly on issues of corporate responsibility and sustainability as well as influencing them through the development of industry standards and public policy frameworks. Ultimately, we encourage such companies to develop stronger environmental, social, and governance (ESG) policies, programs and performance, with increased disclosure and transparency. Specific engagements may vary by sector and issue. Although our most significant impacts are through our shareholder advocacy, we continue to strengthen and expand our own internal sustainability efforts as a small company and through our local community engagement. We describe both types of impacts in this report, however, by far our most significant and far-reaching impacts come directly from our advocacy efforts and the application of our sustainability criteria to the construction of our Funds. Our model provides investors with both sound financial returns and the ability to enhance companies' commitment and performance.

It has remained a challenging time for the financial markets overall, although global equity markets improved in 2013. At various times, issues at home and abroad led to marked volatility in the performance of stocks and bonds. At the same time, we are encouraged by the growing interest in sustainable and responsible investing as more companies than ever examine and strengthen their own internal sustainability, leading us to be positive about our future over the long term. The value of integrating ESG issues into financial decisions is rapidly gaining stronger traction among asset managers and owners alike. We believe that widespread sustainability opportunities and challenges remain and we have a responsibility to address such issues through engagement to improve the individual performance of companies and to lift standards across entire industries.

2011–2013 Fund Highlights

In the past three years, we have enhanced our fund line up by creating ground breaking new funds that address ESG issues as well as retooling some of our existing funds and other issues.

- In October 2012, we launched the Calvert Emerging Markets Equity Fund, which seeks to invest in companies whose products, services, industrial or business practices help address one of at least ten global sustainability challenges in their local and/or international markets, which are based on the UN Millennium Development Goals.

- In late 2012, although Calvert bond funds historically avoided investing in certain types of companies involved in the tobacco industry, our taxable bond funds adopted a formal "no tobacco" investment policy, making all of our retail funds tobacco-free.
- In October 2013, Calvert launched the Calvert Green Bond Fund, the first green fixed-income fund that invests in a broad portfolio of securities focused on environmental solutions or issued by companies considered to be environmental sustainability leaders. We believe this is the most innovative fund today in the ESG space.

Shareholder Advocacy and Engagement 2011–2013 Highlights

Our most significant impacts come from our shareholder advocacy and engagement as well as collaborations with others as we engage the wider world on corporate responsibility, sustainability, and related issues. Highlights from this reporting period include that we:

- Addressed several public policy issues encouraging greater support and stronger regulation for initiatives such as the Clean Air Act, tax incentives for renewable energy production and related United States Environmental Protection Agency (EPA) rules (consistent with our global efforts to address climate change).
- Continued to support and contribute to initiatives, including the United Nations Global Compact (UNGC) and the CEO Water Mandate as well as others, which further the integration of ESG issues into the investment process such as the UN Principles for Responsible Investment and the UN Environment Programme Finance Initiative.
- Helped secure a strong SEC rule for Dodd-Frank Section 1502 requiring U.S.-listed companies to disclose due diligence efforts to identify and curtail "conflict minerals" in their supply chain and end products.
- Pushed with other investors for robust SEC rules implementing Dodd-Frank 1504 requiring disclosure of revenue payments by U.S.-listed oil, gas, and mining companies to governments of countries where they operate around the world.
- Played a leadership role in the Global Network Initiative and its assessment process of company performance in the information and technology sector related to freedom of expression and the right to privacy on the Internet.

UN Global Compact and CEO Water Mandate

We continue to support and are committed to the principles of the UNGC and the CEO Water Mandate elements as we look for ways to integrate them more deeply into our business in the coming years. Our report this year will serve as our annual Communication on Progress for both the UNGC and the CEO Water Mandate.

Calvert was the first investment company to endorse the CEO Water Mandate and we remain committed to achieving progress with the Mandate's elements. We fully support the mission of the CEO Water Mandate and its goal to contribute solutions to the emerging global water crisis.

Calvert Institute

I announced earlier in 2014 that I would be stepping down as President and CEO at the end of this year. John Streur joins Calvert as its new President and CEO-elect. He will lead the company in its next phase beginning in 2015. I will then launch the Calvert Institute, which will complement Calvert's work on educating investors and advisors about sustainable investing. It has been a pleasure to serve Calvert and our shareholders for almost two decades and an honor to lead this company.

We look forward to maintaining our commitment to these critically important initiatives that reflect and reinforce Calvert's business and mission.

Sincerely,

Barbara J. Krumsiek
President and CEO
October 2014

Corporate Responsibility and Sustainability Overview

We believe that public sustainability reporting is a cornerstone of corporate responsibility. Comprehensive sustainability reporting, as defined by the Global Reporting Initiative (GRI), helps investors and other stakeholders gauge the extent to which a company is managing its environmental, social, and governance (ESG) risks and opportunities.

CALVERT'S APPROACH TO CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Calvert has had a longstanding commitment to corporate responsibility and sustainability at the core of our long-term strategy. As noted in the CEO Statement, our most significant sustainability impacts are through our shareholder advocacy and public policy initiatives. We seek to engage and improve not only the performance of individual companies but also to lift ESG standards across entire industries in alignment with both national and internationally-agreed norms and frameworks. We engage directly with the companies in which we invest, often together with other shareholders and stakeholders—especially non-governmental organizations (NGOs). One of our biggest challenges is to set priorities and make the most effective use of our resources amidst so many opportunities to strengthen corporate responsibility and contribute to sustainability. We are very proud of the deep and lasting impact we have made, both with specific companies and across industries.

During this reporting period, some of our largest successes included supporting public policy initiatives such as strengthening the Clean Air Act; extending tax incentives for renewable energy production and related EPA rules; securing a strong SEC rule for Dodd-Frank section 1502 requiring U.S.-listed companies to disclose due diligence efforts to identify and curtail “conflict minerals” in their supply chains; and pushing for robust SEC rules implementing Dodd-Frank 1504 requiring disclosure of revenue payments by U.S.-listed oil, gas and mining companies to governments of countries where they operate around the world. In each of these instances, Calvert played a leading role together with other investors and key NGO stakeholders to achieve progress.

Further details on our advocacy priorities and highlights of our engagement and processes, along with the progress we have made during this reporting period, may be found in the “Calvert in the World” section.

Since Calvert regularly reviews the sustainability reports of companies as part of its investment assessment and advocates for better disclosure from these companies, we find it valuable to assess ourselves in the same spirit of accountable and continuous improvement. As a financial services company with less than 200 employees, we seek to make our direct footprint more sustainable through a variety of efforts and initiatives related to our workplace, environment and community described later in this report. We have made steady progress in these areas and remain committed to continuous improvement. For example, as a company that rents rather than owns our office space, we were nonetheless able to influence the landlord to seek LEED certifications when we renewed our lease and that led to a variety of greener improvements for all building tenants. We will continue to identify such opportunities to become an even more sustainable enterprise.

CORPORATE SUSTAINABILITY AND RESPONSIBILITY MANAGEMENT

Calvert's position as a leader in corporate social responsibility practices drives our internal corporate sustainability and responsibility efforts. Our internal corporate sustainability efforts are led by Calvert's Vice President of Corporate Sustainability and Community Partnerships. This position is responsible for leading our internal sustainability efforts, as well as overseeing external relationships with some stakeholders and supervising the company's human resource functions and community relations. The company also has had a Calvert Corporate Sustainability Committee (CSC), composed of Associates, which has worked to educate and foster dialogue about sustainability and to improve the company's internal sustainability.

Our Senior Vice President of Sustainability Research and Policy oversees the Calvert Sustainability Research Department, which evaluates companies on their corporate ESG practices and directs our shareholder advocacy and related public policy initiatives. When hiring new Associates in this and other departments that involve ESG issues, we look for individuals with appropriate expertise and experience. Although we do not have specific training for employees concerning human rights, Calvert does employ specialists who focus on this topic. In both our internal and external areas of sustainability, the ten United Nations Global Compact (UNGC) Principles are incorporated into Calvert's work. These issues are regularly reported on to all the Boards.

SUSTAINABILITY RISKS AND OPPORTUNITIES

The instability and volatility of increasingly interlinked global financial markets poses systemic and episodic risks to all asset managers and asset owners, including Calvert. Yet Calvert's thirty-five year track record gives us confidence that we can effectively manage this instability and volatility and at the same time meet our account holders' expectations of reasonably consistent returns over the medium-long term, if not always in the short-term. All asset managers by definition face compliance-related risks. We have implemented strong governance controls and management systems such as dedicated compliance staff and officers, annual certifications of our code of ethics and strong oversight of business practices across the firm. More details on both our compliance and governance can be found in the "Calvert's Governance" section later in the report.

We believe that some mainstream asset managers are finally catching up to Calvert's longstanding basic premise that ESG factors and related opportunities matter to company performance and in turn to long-term investment performance as well. The combination of integrating ESG with financial analysis, along with offering a lineup of innovative funds, provides a comparative advantage in an even more competitive marketplace. Moreover, the emerging generation of millennials shares our values and demonstrates commitment to aligning them with their investment choices. That gives us the confidence that we are better poised than ever to enlarge our number of account holders and our asset base.

CALVERT'S GOALS

Calvert's largest sustainability impacts come from our investments, consistent with our role as a provider of sustainable and responsible investment strategies. We have prioritized several goals over the near and medium-term including integrating ESG factors into financial decisions when assessing the value of a company across both equity and fixed-income investments and focusing on the creation and release of new sustainable and responsible investment options. As both an interim and longer-term goal, we continue to view shareholder advocacy and engagement as a vital part of our mission to serve our shareholders and stakeholders, increase our impact and strengthen our brand. As part of that longer-term goal, we have established long-term sustainable advocacy objectives and initiatives* that seek to:

- Develop an integrated sustainability advocacy and policy approach that embraces an understanding of the science, policy trends, and technological changes related to climate change, natural capital, and energy to business and investment.
- Demonstrate the materiality of human rights-related risk (including labor rights and indigenous peoples' rights) across global operations and supply chains through research and analysis (including published reports). Drive company respect for human rights through global benchmarking/rankings and industry-wide/issue-specific standard setting, and in turn diminish human rights risk across portfolios/asset classes. Employ research/analysis, investor/NGO coalitions including companies where possible; engage governments and international institutions on standards to complement company/industry focus.
- Promote a new model of corporate governance focused on "board quality," combining traditional elements of director independence and shareholder rights on issues such as board leadership structure, shareholder rights, and executive compensation with innovative elements of diversity of perspective and expertise enabling more effective oversight of environmental and social-related risk and opportunity. Draw connections between traditional governance and governance of sustainability by identifying implications for board composition, director tenure, and skill sets, along with board and management focus on corporate strategy and risk.

OUR REPORT

Calvert identified the topics and relevant indicators that are considered material for us, and which allowed us to prioritize the most material indicators. These can be found in the materiality matrix. Since we have chosen to report at the B level, we focused most specifically on the core indicators and also included relevant indicators from the Financial Sector Services Supplement.

We have prepared this report using the Global Reporting Initiative (GRI) G3.1 Guidelines and Financial Sector Supplement, the UNGC Ten Principles and the CEO Water Mandate's six core elements. By doing so, we are also meeting our commitment to both entities to disclose an annual Communication on Progress. Our intent is to harmonize our reporting to these organizations through this document.

Indices mapping this document against the GRI G3.1 Guidelines, the Financial Sector Supplement, the UN Global Compact Principles and the CEO Water Mandate can be found at the end of this report.

Our GRI application level is **self-reported level B**. More information about GRI and the application levels is available at **www.globalreporting.org**.

While our reports are generally produced bi-annually, this report covers a three-year reporting period, from 2011 to 2013. All numbers and charts are through year-end 2013 unless otherwise noted. Our last report covered 2008 to 2010. Changes at Calvert included making all our retail funds tobacco-free, which increased our sustainable and responsible mutual funds from 44% in 2011, to 88% by the end of 2013. We also had some position eliminations during the 2011-2013 reporting period due to departmental structuring and changing business needs, impacting less than 9% of our Associates; several found other positions within in the company.

Calvert has chosen not to independently verify this report since internal assurance has been provided at multiple levels. We have not hired a third party to conduct any internal social audits to assess our implementation of ESG policies and risk assessment procedures, as we have experts in-house who examine these issues in other companies. We have not sought stakeholder engagement for this report. Since Calvert is a U.S. company, with operations entirely in this country, the scope of this report is domestic except insofar as we describe our growing involvement with international advocacy and policy initiatives. We welcome your comments and feedback regarding this report. Please contact Reed Montague (**reed.montague@calvert.com**) via e-mail or telephone (800.727.5578).

**Instead of a table we have chosen to discuss these items via narrative.*

CALVERT KEY INDICATORS TABLE

Calvert as a Sustainable and Responsible Investment Company

	2010	2011	2012	2013	2011–2013 IMPROVEMENT
Assets under management	$14.7	$12.3	$12.0	$12.8	improvement
Assets in sustainable and responsible funds (in billions)	$5.5	$5.4	$5.8	$11.3	improvement
Number of funds that outperformed their peer group (%)	47%	57%	63%	42%	needs improvement
Code of Ethics violations	0	0	0	0	stayed the same
Special Equities Program ($million invested)	$31.2	$30.0	$28.6	$36.0	improvement
High Social Impact Investing Program ($million invested)	$24.7	$24.1	$24.5	$24.5	improvement

Calvert Corporate Responsibility/Sustainability

	2010	2011	2012	2013	2011–2013 IMPROVEMENT
Employee turnover (%)	3%	6.9%	7.7%	13.0%	needs improvement
Racial minority hiring (% of new hires)	25%	31%	30%	30%	needs improvement
Staff diversity (%)	29%	29%	29%	32%	improvement
Safety incidents	0	0	0	0	stayed the same
Employees using public transportation	58	50	53	53	improvement
Renewable energy credits purchased (tons CO_2 equivalent)[1]	1060.79	720	720	720	stayed the same
Amount of waste recycled (tons)	28	31	71	39	improvement
Amount of waste recycled (%)	85%	77%	89%	81%	improvement
Shareholders receiving electronic mailings	7,999	8,643	9,306	9,513	improvement
Corporate giving[2]	$1,592,529	$243,897	$104,595	$231,490	not applicable
Employee volunteer hours	1,593	1,629	1,178	1,003	needs improvement

Calvert in the World

	2010	2011	2012	2013	2011–2013 IMPROVEMENT
Corporate engagement with companies	322	250	264	172	not applicable
Sustainability proxy proposals voted	1,268	3,440	2,426	2,342	not applicable

[1] Purchase of renewable energy credits between 2011 and 2013 were only to offset all office electricity use, while 2010 included both office electricity and business travel.

[2] Corporate giving amounts include both charitable donations to 501(c)3 nonprofits and event sponsorships. 2010 corporate giving included our support to the Calvert Foundation, which was the last year before it became fully independent. Our goal is not to increase our corporate giving annually but to make appropriate contributions to the community through our philanthropy, Associate volunteerism, and matching of Associate contributions.

2013 compared to 2011: ● improvement ● stayed the same ● needs improvement ○ not applicable

There are a few categories that do not need to be measured for improvement and these have been noted above with a not applicable category when comparing 2013 to 2011.

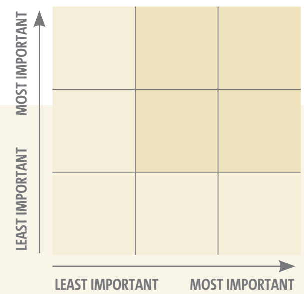
OUR DIRECT FOOTPRINT

Over the past three years, we continue to make strides in our own direct sustainability efforts. Our environmental efforts remain strong, such as through the recycling of waste and increasing the number of shareholders receiving electronic mailings. We continue to have successfully avoided any material Code of Ethics violations or safety incidents. We would like to improve in certain areas such as encouraging even more shareholders to receive their information electronically. We will continue to look for areas where we can further strengthen our own sustainability, such as by increasing employee volunteerism. More details on these and other indicators and our progress can be reviewed in the summary of key indicators and their progress over time below. We remain optimistic that we can and indeed must strive to make even more progress as we look to further reduce our own internal footprint.

CALVERT MATERIALITY MATRIX

To determine the content of this report, we reviewed the significance of a range of issues to our company and our stakeholders. The result was the following materiality matrix, which was reviewed by Calvert senior management and other key Associates. There has been little change in the issues that are important to us since our last reporting

CALVERT'S MATERIALITY MATRIX: IMPORTANT AND VERY IMPORTANT ISSUES FROM A COMPANY AND STAKEHOLDER PERSPECTIVE

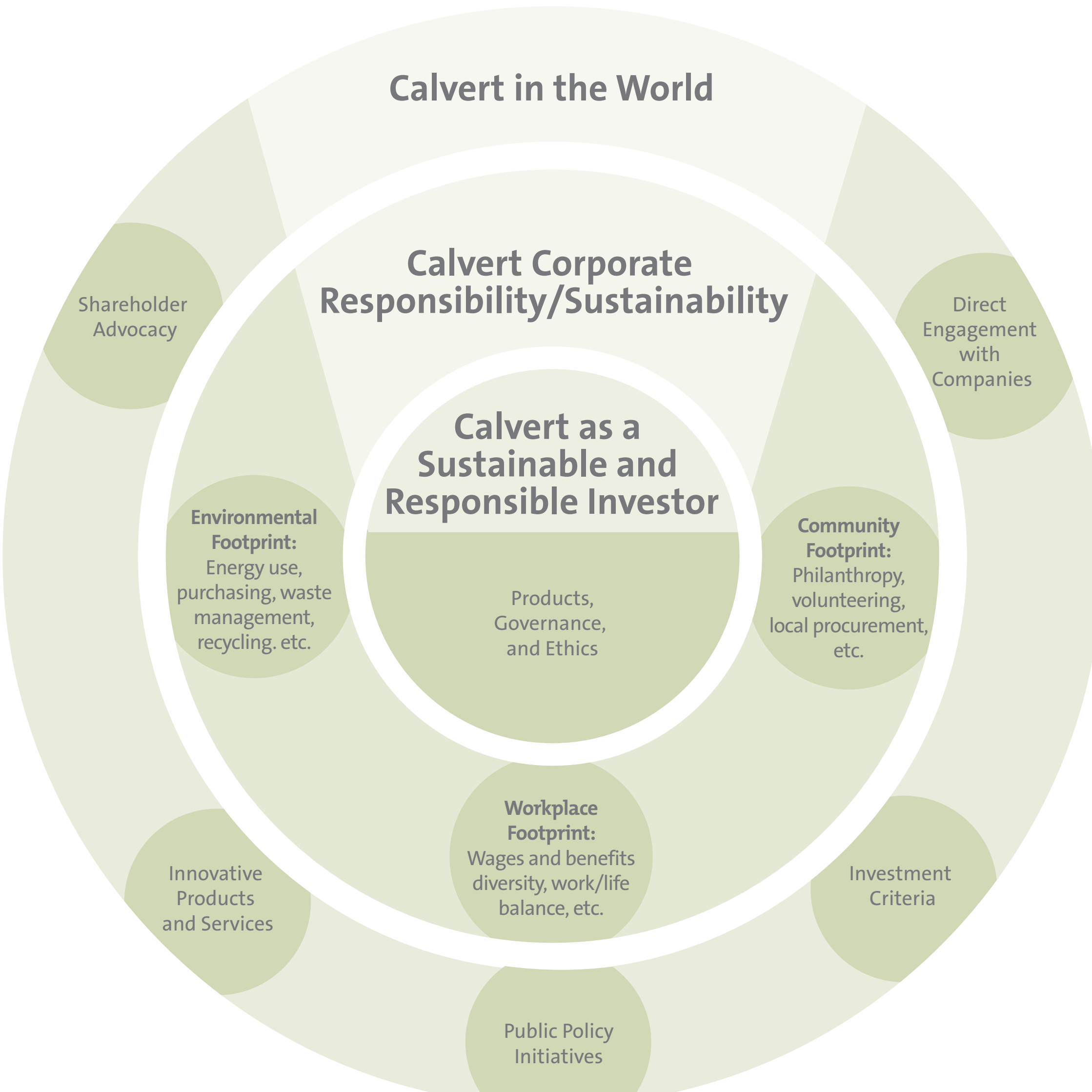


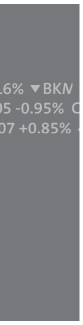
SIGNIFICANCE TO STAKEHOLDERS	SIGNIFICANCE TO CALVERT: IMPORTANT	SIGNIFICANCE TO CALVERT: MOST IMPORTANT
MOST IMPORTANT	**Calvert's Governance Structure** ■ Board member independence **Collaborative Action and Engagement** ■ External commitments, e.g. UN Global Compact, UNEP FI and UN Principles for Responsible Investment **Calvert in the World** ■ Encouraging companies to improve ESG issues ■ Influencing public policy as a way to foster better policies and programs in corporations ■ Collaboration with industry peers to influence change **Calvert in the Community** ■ Local community involvement **Stakeholders** ■ Stakeholder engagement	**Calvert as a Sustainable and Responsible Investment Company** ■ Shareholder returns ■ Risk profile of portfolios ■ Investment outlook ■ Compliance with legal and ethical standards ■ Customer satisfaction and privacy ■ Innovative products and services reflecting customer interests ■ Support for financial planners and broker/dealers ■ Integration of ESG practices with financial analysis ■ Rigor and consistency of ESG research and analysis **Calvert's Governance Structure** ■ Governance practices ■ Business ethics and anti-competitive behavior ■ Auditor independence ■ Sustainable and responsible strategy and management **Calvert in the World** ■ Environment and climate change ■ Diversity and women ■ Governance and disclosure ■ Human rights, labor rights and Indigenous Peoples' rights ■ Public policy participation ■ Proxy voting ■ Shareholder resolutions
IMPORTANT	**Calvert's Governance Structure** ■ Product and marketing communications **Calvert Corporate Responsibility/Sustainability—Environmental** ■ Energy use, energy efficiency, GHG emissions and carbon neutrality ■ Environmental purchasing, including recycled content ■ Waste reduction, recycling, and disposal ■ Environmental management **Calvert in the Community** ■ Supporting local needs ■ Local procurement	**Calvert's Governance Structure** ■ Board diversity ■ Board oversight of sustainability issues **Calvert Corporate Responsibility/Sustainability—Workplace** ■ Workplace practices management ■ Employee turnover ■ Benefits and competitive pay ■ Pay equity ■ Safe and healthy workplace ■ Work-life balance ■ Workforce diversity ■ Anti-harassment **Calvert in the Community** ■ Employee volunteering ■ Community philanthropy

period. This matrix enables us to prioritize the topics that appear in the report. We expect our key stakeholders including our Associates, our investors, our owners, institutional investors, broker/dealers and financial advisors along with NGOs, SRI firms and the general public to be most interested in our report but we hope that all our stakeholders choose to view it.

We have organized the 2011-2013 report according to our business, our advocacy and policy and our own footprint.

The following graphic represents an overview of our key sustainability impacts, both positive and negative. This concept was used as the framework both for this report and our materiality analysis. At the center is our business and how we conduct ourselves internally and externally. Next are the impacts directly related to our operations. Finally, the outer ring represents our influence through our investments and the ways that we are able to impact society, companies and the world. This is our greatest opportunity to influence sustainability.





Calvert as a Sustainable and Responsible Investment Company

MISSION STATEMENT

Calvert Investments, offering a range of investment products and services, seeks to enable individual and institutional investors to reach their financial goals in ways that are consistent with their beliefs and values. Through our investment process, we encourage companies to act with responsibility toward their customers, employees, communities, and the environment.

ABOUT CALVERT INVESTMENTS

We are a leading investment management company using sustainability as a platform to create value for investors. We believe companies with forward-looking sustainability practices are more farsighted and better managed than other companies, and will provide our clients with superior performance over time. By investing in these companies, our holistic approach to investment management seeks long-term income and capital appreciation while making a positive impact on the world we live in.

We are a diverse team of professionals serving a broad and substantial client base. Our clients include corporate and public pensions, foundations, endowments, and individual investors represented by more than 25,000 financial advisors affiliated with broker-dealers across the United States.

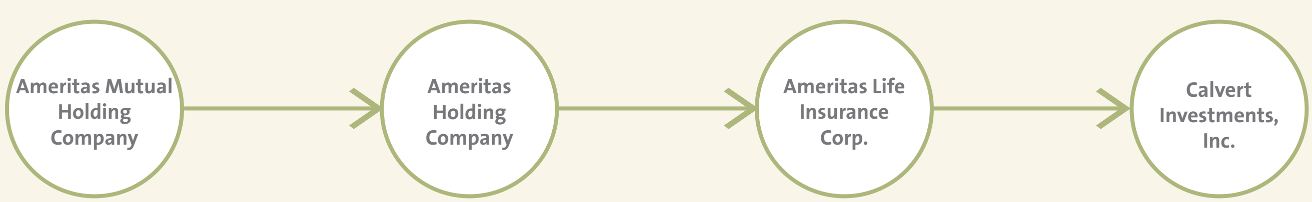
We offer a broad array of more than 40 equity, bond, multi-asset strategies available through mutual funds, separate account management, insurance trusts, and sub-advisory services. The majority of our investment strategies feature an integrated environmental, social, and governance (ESG) research and corporate engagement framework that is backed by one of the largest proprietary sustainability research teams in the United States.

Founded in 1976 and based in Bethesda, Maryland, we managed assets of more than $13 billion as of September 30, 2014.

COMPANY STRUCTURE

Calvert Investments, Inc. is a private company, 100% owned by Ameritas Life Insurance Corp., an indirect subsidiary of Ameritas Mutual Holding Company (**Ameritas**). All Calvert Associates work for Calvert Investments, Inc. through one of its operating subsidiaries. As of year-end 2013, Calvert had 176 Associates. Our chain of ownership is described in the graphic below.

CALVERT'S CHAIN OF OWNERSHIP:



Ameritas consists of a diversified group of insurance and financial services businesses offering life insurance and annuities, group dental, vision and hearing care insurance, mutual funds, investments, retirement plans, and public finance. Each Ameritas company conducts its business with ethics, integrity, and good citizenship. Ameritas Mutual Holding Company was formerly known as UNIFI but changed its name on May 2, 2012.

On April 30, 2011, Calvert Investments, Inc. (formerly Calvert Group, Ltd.) and each of its operating subsidiaries updated their names to reflect more accurately our evolution from a mutual fund-centric company to a broadly diversified investment management firm. We are now known as Calvert Investments. This change has been reflected in both our logo and materials. At the same time, we also revised several fund names to better reflect the asset or style class. These modifications did not impact the Funds' investment strategies, ticker symbols, portfolio numbers, CUSIPs or their ESG criteria.

ASSETS UNDER MANAGEMENT

As of December 31, 2013, Calvert managed $12.9 billion in assets, in 48 mutual funds with over 400,000 investors. Over the past few years, we have added, merged and consolidated some of our funds. The chart below reflects our financial data from 2010 through 2013.

As of year-end 2013, the overwhelming majority of Calvert's managed assets (88%) were concentrated in North America. Our largest investment concentration outside of North America is Greater Europe Developed (7%), followed by Japan, Australia and Developed Asia (3%), with the remaining concentration in emerging markets across the globe (2%).

CALVERT INVESTMENT, INC. YEAR END FINANCIAL DATA (IN THOUSANDS)

	2010	2011	2012	2013
Sales[1]	**$3,952,000**	**$3,039,000**	**$2,034, 000**	**$2,931, 000**
Equity Funds	$917,000	$1,092,000	$918,000	$1,416,000
Fixed Income	$3,034,000	$1,948,000	$1,117,000	$1,515,000
Assets Under Management	**$14,692,000**	**$12,322,000**	**$12,008,000**	**$12,812,000**
Equity Funds	$5,786,000	$4,933,000	$5,497,000	$7,507,000
Fixed Income Funds	$7,812,000	$6,437,000	$5,653,000	$5,306,000
Money Market Funds	$1,094,000	$952,000	$858,000	0
Percentage of Total				
Equity Funds	**39%**	**40%**	**46%**	**59%**
Fixed Income Funds	**53%**	**52%**	**47%**	**41%**
Money Market Funds	**7%**	**8%**	**7%**	**0%**

[1] Excluding Money Market Funds

BREAKDOWN OF SUSTAINABLE* VERSUS NON-SUSTAINABLE FUNDS

Sustainable Funds	**$5,482,000**	**$5,368,000**	**$5,748,000**	**$11,269,000**
Percentage of the Total	**37%**	**44%**	**48%**	**88%**
Other Assets	**$9,210,000**	**$6,954,000**	**$6,260,000**	**$1,543,000**
Percentage of the Total	**63%**	**56%**	**52%**	**12%**

*Our sustainable funds incorporate an array of environmental, social and/or governance issues, which varies by fund.

For 2011 and 2012, the majority of Calvert's managed assets were also held in North America (91% for both years).

Calvert is a privately held company, as are a large number of our competitors. Because publicly disclosing certain financial information could put Calvert at a competitive disadvantage, we have chosen not to disclose our supplier breakdown, payroll information, capital flows and earnings, and public sector information (taxes, subsidies, development).

PRODUCTS AND SERVICES

Calvert Investments is the master brand representing Calvert Investments, Inc. and its operating subsidiaries to the public. As an investment management company, we manufacture and distribute a broad array of equity, bond, and multi-asset strategies featuring integrated ESG research and corporate engagement. Our strategies are available through mutual funds, variable insurance trusts, separate accounts, and sub-advisory services.

Based on continual analysis of industry trends, syndicated research and proprietary research, Calvert develops and maintains products that offer clients opportunities to diversify investment portfolios and achieve financial goals. Generally, products are designed to meet or exceed the performance of established market benchmarks. By integrating ESG research in the investment decision making process, portfolio managers seek to gain information advantages that enable them to uncover alpha generation opportunities or avoid risks overlooked by other investment management companies. In recent years, Calvert has introduced thematic investment strategies offering clients the ability to target investment capital in companies that produce products and services intended to address pressing sustainability challenges. An example is the Calvert Global Water Fund, which has garnered strong performance ratings from independent mutual fund research firm, Morningstar®, and attracted strong new cash flows from investors seeking sustainability investment themes. More details on our funds as well as the criteria can be found at **www.calvert.com**.

In retail markets, we distribute our products primarily through third-party financial intermediaries such as financial advisors and planners who are registered representatives affiliated with broker/dealers or other registered investment advisors. In institutional markets, we offer our products directly to qualified institutional investors such as corporations, public funds, universities and non-profit institutions, foundations and endowments, and Taft-Hartley plans. Often these institutional investors are represented by professional investment consultants with whom we collaborate closely to explain the objectives, investment processes, and performance of our strategies.

Calvert has been the Program Manager since 2002 for the **529 College Savings Plan for the District of Columbia**, working closely with the Government of the District of Columbia to educate participants on how to save and invest in order to reach their families' educational goals.

ORGANIZATIONAL RESPONSIBILITY

Calvert's Vice President, Product has "day to day" responsibility for Product Development and Management, and her team is responsible for monitoring product positioning, developing and delivering product training, developing competitive analyses and monitoring industry trends and their impact on Calvert. This position reports to the Executive Vice President, Calvert Investment Distributors, Inc. who has the ultimate authority for this area and heads Calvert's retail sales, institutional sales, marketing, and public relations efforts. Calvert continues to strategically align its product line with long-term industry trends and evaluate product development in strong asset and high-flow categories. The Calvert Product Committee meets regularly and investigates possible product launches for Calvert on an ongoing basis. It also recommends product actions (new products, product mergers, and product modifications), setting out a roadmap for new product development, and product management of Calvert's existing product offerings. New product launches reflect the expanding integration of Calvert's core sustainability analytics (ESG) across equity and fixed-income portfolios.

SUSTAINABLE AND RESPONSIBLE INVESTMENT AND FUND CHANGES/ADDITIONS

We believe that we offer one of the most comprehensive approaches to sustainable and responsible investment (SRI) available today through a range of choices to meet a variety of investment needs and have been a leader in the field of SRI since 1982. Calvert sets and revises objectives for responsible investment at least annually and we formally review performance against our objectives. We also set research and advocacy specific objectives even more frequently at the department level.

Calvert has found that assessing ESG factors—in addition to the balance sheet—provides a window into a company's truer nature and can help our analysts identify the red flags that signify risk or the green lights that show a promising corporate future. Further, the way in which a company responds to environmental and social issues contributes to the value of its brand—positive or negative—and therefore its long-term value. More details on SRI and our funds can be found at **www.calvert.com/sri.html.** Changes to our family of funds over the past three years include:

Calvert's Tobacco-Free Mutual Funds

- Calvert fixed-income funds have historically avoided investing in certain types of companies involved in the tobacco industry; however, our taxable bond funds adopted a formal "no tobacco" investment policy (as defined by various Barclay indices) in late 2012 after our Fund Boards officially voted to formalize this process, making all our retail mutual funds tobacco-free.

Exiting the Money Market Fund Business

- While money market funds were the beginnings of our business, changes in the economy and new financial regulations forced us to review this arm of our business. In 2013, Calvert Fund Boards supported the decision to merge most of the current money market funds into the Calvert Ultra-Short Income Fund and to close the Calvert VP Money Market Portfolio entirely. Calvert officially retired all of our money market funds on December 31, 2013. We made an effort to minimize the disruption to Calvert money market fund shareholders, to provide a suitable alternative to their current money market fund, and to avoid any negative impact to affected fund shareholders, including those of the acquiring fund. As a result of the low interest rate environment, and the expected continuation of a low interest rate environment for short-term debt, combined with new and proposed regulations being placed on money market funds, Calvert decided it would no longer offer money market funds.

New Funds

Calvert continues to advance new models of SRI. Among our key recent contributions has been the development and launch of two new innovative funds, with distinct sustainability themes.

- In October 2012, we launched the Calvert Emerging Markets Equity Fund, which seeks to invest in companies whose products, services, industrial or business practices help address one of at least ten global sustainability challenges in their local and/or international markets. These challenges, which overlap with the UN Millennium Development Goals, include addressing economic development, improving quality of life for the disadvantaged; providing access to safe medicines; expansion of digital access for the those with limited access; addressing climate change and other environmental issues; clean water and sanitation; human rights, labor rights and Indigenous Peoples' rights; gender equality and diversity in the workplace; and overcoming corruption. We believe that companies such as these need to be part of the solution to address sustainability. Serving as a member of the United Nations Global Compact (UNGC) can also be a differentiating factor for companies.
- In October 2013, Calvert launched the Calvert Green Bond Fund, the first green fixed-income fund to invest in a broad portfolio of securities focused on environmental solutions or issued by companies considered to be environmental sustainability leaders. Green bonds can play a key role in achieving a lower-carbon, sustainable global economy, which is being rapidly embraced by corporations, governments, and non-governmental organizations (NGOs) around the world. The Calvert Green Bond Fund is comprised of corporate bonds

from issuers with at least half of their revenue from environmentally beneficial technologies, products, or services, or that display strong environmental sustainability leadership, plus project-focused bonds that support clean energy, water conservation, or other green initiatives. We believe that the Calvert Green Bond Fund is the most innovative in the ESG space.

Overall, the methodology by which Calvert identifies and processes or analyzes material ESG information is innovative, sophisticated and effective. These processes are firmly rooted in established financial theory and make optimal use of Calvert's proprietary ESG knowledge base and other resources.

INTEGRATION

Calvert believes melding traditional financial analysis with ESG analysis offers the most comprehensive analysis today and points toward the future direction of investment institutions. We rigorously pursue ESG integration across our equity and fixed-income investments and have made significant strides in providing ESG information to fixed-income and equity analysts to incorporate as part of the investment analysis. Sustainability analysts regularly evaluate and review companies for both equities and fixed-income investments as they are making investment decisions. In 2013, the Sustainability Research, Equities and Fixed Income departments held joint integration meetings where various perspectives on companies were addressed as well as strategies to expand and deepen integration were reviewed.

Equities

Calvert employs a proprietary research framework that seeks to efficiently identify and process material ESG information, merged into the core of the broader financial research and investment process. This framework seeks to use and optimally combine the expertise of the firm's equity investment analysts with that of sustainability analysts. Calvert's investment analysts assess the ESG profile of a company's external value chain to gain insight into underlying business risks and opportunities and communicate with sustainability analysts through a structured research format designed to help assure optimal and timely identification and assessment of material ESG information. Investment analysts then record these structured communications on an internal research intranet. Other information resources available to the research investment process include an informational database maintained by the Calvert Sustainability Research Department that records the analyst summary of screening and advocacy activities. Calvert's proprietary research framework evaluates specific ESG information categories as part of the process by which analysts establish valuation relevance. Calvert analysts record and communicate corporate sustainability profiles and their assessments of the investment relevance of ESG information as part of the research process.

Fixed Income

Calvert believes the use of ESG information within its core investment process sharpens our visibility into a company's investment profile and valuation; this integration of ESG information also helps generate enhanced buy and sell triggers. At the macro level, ESG issues are one of the many critical inputs that help to inform our broad strategic outlook for the fixed-income portfolios. At the sector and security selection level, our integrated research process involves a relative value assessment of both fundamental and ESG risks. To aid in Fixed Income's ESG risk assessment, the credit and sustainability teams have created a sector framework for integrated research, which involves identifying the most relevant ESG factors and metrics for every individual industry (using Barclays index classifications) that correspond with credit drivers/metrics that influence spread performance. In 2013, the Calvert Sustainability Research (CSRD) and Fixed Income Departments began the process of creating a sector framework for integrated research, which involved identifying the most relevant ESG frameworks and metrics for every individual industry that correspond with credit drivers/metrics that influence spread performance. This process was wrapped up in early 2014.

Calvert Fixed Income representatives were interviewed for a 2014 UN Principles for Responsible Investment (UNPRI) guidance document designed to educate investors on how to invest responsibly in fixed-income investments based on the UNPRI principles and which features best practices among signatories. Calvert shared our philosophy, relative value process, some of our backtesting results and thoughts on the challenges, and is quoted in the report.

Subadvisors

Calvert external portfolio managers that execute an ESG/SRI strategy for Calvert have responsibility for responsible investment, while other external managers do not. Calvert encourages its investment managers to incorporate ESG analysis and insights into their investment research and security selection processes when managing a Calvert portfolio under any of these approaches. Calvert believes that investors benefit from managers availing themselves of the ESG insights from Calvert's investment analysts and ESG analysts. Investment managers' discussions with company management provide a means of communicating Calvert's ESG perspectives to management and gathering new information on a company's goals and performance in critical ESG areas. We support, encourage and facilitate open and active dialogue among investment managers, Calvert's investment analysts, Calvert's ESG analysts and company managers.

Processes that Support Integration

In addition to the processes described above, Calvert also uses the following to enhance or support integration:

- Calvert applies ESG criteria to different fund categories with respect to portfolio manager requests over specific names.
- ESG research may be initiated by sustainability analysts in response to positive developments or adverse events that affect the application of criteria (pass/fails) to particular names.
- The Calvert Social Index is reconstituted annually in order to review new entrants (from the Dow Jones Total Market Index).
- The inter-departmental Social Index Review Committee has oversight of the component names regarding pass/fail status of the Calvert Social Index.
- Integration of ESG and financial analysis is undertaken by both the Equities and Fixed Income teams in conjunction with CSRD analysts on a constant basis.
- There are periodic meetings between the Calvert Social Research Department, Equities and Fixed Income teams regarding advocacy, and policy objectives and opportunities.

SPECIAL PROGRAMS

Within some of our sustainable and responsible funds, Calvert allocates a small portion of assets toward two specialized programs—Special Equities and High Social Impact Investments—that improve the sustainability of our investments and work to advance social change in direct and significant ways.

Special Equities Program

Certain sustainable and responsible Calvert funds allocate a small portion of the assets for early, direct, higher-risk investments in companies run by visionary entrepreneurs who have identified profitable ways of addressing social needs and sustainability. This program exemplifies Calvert's principles and enables us to guide young companies and entrepreneurs in the formative stages of business. These companies provide market-based solutions to some of the more difficult social, environmental, and health problems facing society today. We make these long-term venture capital investments in anticipation of financial return for our investors, as well as to increase access of products and services with strong social missions to the broader marketplace. The program also supports emerging fund managers and compelling fund models by investing in other impact investment funds, both domestically and internationally.

High Social Impact Investment Program

Calvert's High Social Impact Investment (HSII) Program channels investment capital to non-profit organizations with the goal of ending poverty through investment. Certain Calvert funds invest from 1 to 3% of assets in this program, depending on the fund. These assets are invested in Community Investment Notes issued by the Calvert Social Investment Foundation. The Foundation is a 501(c)3 nonprofit organization, which is legally distinct from Calvert Funds and Calvert Investments, Inc. The Foundation invests the money directly to organizations working to help the poor and end poverty.

CALVERT'S SPECIAL EQUITIES INVESTMENTS

AS OF YEAR END:	2010	2011	2012	2013
Amount Invested (In millions) — does not include unfunded commitments*	$31,176,624	$30,026,428	$28,563,408	$35,952,610

*These numbers include both direct and indirect investment totals for the Special Equities portfolio and are year-end portfolio investment values. Beginning in 2011, the assets include Social Enterprise investments, which are investments made through this program at below-market rates of expected returns but are venture capital. The 2010 number has been modified from the last report, which was previously reported as $58,463,405 (which is the actual total cash outlay for the program through December 2010).

CALVERT'S HIGH SOCIAL IMPACT INVESTMENTS

	2010	2011	2012	2013
Amount Invested	$24,690,911	$24,052,898	$24,472,638	$24,503,805

EDUCATION AND CLIENT SUPPORT

In general the investment industry has borne significant responsibility for educating consumers on investment concepts due to the lack of financial literacy education in the core curriculum of U.S. schools. Calvert Investments applies significant resources to developing content intended to educate current and prospective clients about investment concepts and our specific investment strategies. Recent content initiatives have included short films and white papers on sustainability investment themes such as water and alternative energy. Traditional investment topics have included the impact on investment portfolios of rising interest rates. To keep clients informed about investment market trends and the performance and outlooks of specific investment strategies, Calvert publishes regular market commentaries and portfolio commentaries, respectively. Most content is published and distributed on **www.Calvert.com**, which is accessible on-demand to current and potential shareholders, financial advisors, and the general public.

Because financial advisors and planners are a primary distribution channel for our products in retail markets, Calvert also applies resources to developing programs intended to educate these financial professionals on sustainable investment themes and our specific investment strategies. We offer an **"Advisor Finder"** service to assist individuals in their search for a financial advisor who can support them in meeting their financial needs. Many of these financial advisors conduct their own financial education seminars and often are assisted by Calvert sales Associates. Our Client Services Representatives are available to assist current and potential shareholders by providing assistance over the phone or via e-mail Monday through Thursday, 9:00 AM to 5:30 PM, EST, and Fridays from 9:00 AM to 5:00 PM, EST.

WATER EDUCATION AND TOOLS

Calvert works to educate our shareholders not only about financial matters but also about key social issues, including water through a variety of ways. As part of Calvert's efforts to educate financial providers and the general public on the global water crisis, we launched the Calvert Water Investing App in November 2013. The free app is available on both Apple and Android mobile devices and includes several features:

- The Daily Drip—a roundup of weekly news about water-related issues of interest to investors and financial advisors.
- Learn—the place to get up to speed on the facts about global water challenges, environmental impacts and view a short water film.
- Views—expert commentary and analysis from Calvert on key water issues, including daily tweets from Calvert water analysts and profiles of water-themed companies.
- Invest—facts and performance updates about the Calvert Global Water Fund and the portfolio management team.

Calvert updated its white paper in 2013, "Quenching the World's Thirst for Water," which discusses water demand and investment drivers. For example, the paper notes that water-related infrastructure alone will require the investment of $22 trillion globally over the next two decades. We also wrote about business model challenges facing water and electric utilities on our website. Both industries must tackle a potential revenue gap from the need to increase rates in order to cover infrastructure and technology modernization, while protecting the public's ability to afford services. We also work to educate financial advisors and planners about water. Calvert participated in and helped sponsor an hour-long televised webinar in November 2013 presented by *Financial Advisor Magazine* to inform and engage clients on water investment. The webinar covered the investment thesis for water investment, how water investments can improve client portfolios, investor advocacy on water issues, and the value of active management. About 800 investment advisors registered for the event, with 444 viewing the live event.

Stakeholders

At Calvert, we are committed to the principles of transparency and inclusiveness. This commitment, and the dynamic dialogue it requires, helps us to build trust and reinforce our reputation as a company that operates from a foundation of integrity.

We have long engaged with our stakeholders who share our values and objectives. We prioritize our shareholders and direct clients—individual account holders and institutional investors—as well as the financial advisors, broker-dealers and registered investment advisors who sell our funds and carry our brand. We also prioritize the companies in which we invest and in turn share a stake in their success. Our other key stakeholders include those with whom we work to advance our corporate responsibility and sustainability objectives: governments and international institutions; responsible and where possible broader mainstream investors alike; non-governmental organizations (NGOs) and multi-stakeholder coalitions.

We pay close attention to individual account holders and institutional shareholders through our client services team and a dedicated institutional team that engages with them on these issues. The Calvert Sustainability Research Department leads engagement with companies in which we invest and the partnerships and coalitions that we rely on to reinforce our own direct efforts. In the discussion that follows, we summarize how we interact and manage relationships with these stakeholders.

CALVERT STAKEHOLDERS:

1. Our Owner
Calvert's ownership is discussed in detail in the section entitled "Company Structure."

2. Broker-Dealers and Financial Advisors
As Calvert relies primarily on independent advisors and broker-dealer firms to sell our products, much of our business is designed to support this channel and ensure that financial advisors are kept informed of environmental, social, and governance (ESG) issues critical to Calvert's stakeholders.

Calvert's Marketing, Sales, and Sustainability Research Departments anticipate and identify issues of importance to investors, in order to help advisors offer our products as solutions for those concerns. We provide support to advisors in the form of teleconferences, webinars, face-to-face meetings, and marketing materials geared towards specific market segments. Our sales staff engage with advisors daily. One such topic that has been raised regularly is fossil fuel divestment, to which we have responded with detailed information on fossil fuel exposures in our investment portfolios online and in meetings. See the institutional clients segment below for more details. In 2013, we also reinstated a national brand health survey among investors and financial advisors to measure key brand health indicators, assess Calvert's positioning relative to competitors, and examine perceptions and behaviors pertaining to SRI and ESG investing. The survey reported SRI familiarity, consideration and actual usage among financial advisors and confirmed Calvert Investments as the investment management company most used by financial advisors for SRI strategies. In addition, the survey revealed a disproportionately higher interest in ESG issues, and an understanding of the relevance of such issues to investing, among Millennials relative to older generations.

3. Associates
More information about our relationship with our Associates is available in the "Calvert's Own Corporate Responsibility/Sustainability" section.

4. Investors
Calvert's Client Services Department serves as the liaison between Calvert and current and potential investors, and third-party intermediaries who handle our products. All customer contact is monitored in an effort to improve the service we provide and each Client Services Representative meets with the Client Services Training and Development Coordinator on a regular basis to be coached on how their individual service delivery can be enhanced. Client Services has established service metrics of an abandoned call rate of lower than 3% and an average wait time of less than 30 seconds. The department speaks daily to investors that call us. Through our website, **www.Calvert.com**, we publish a variety of content intended to keep investors informed on the performance of investment portfolios, our perspectives on the markets, and our research on the investment implications of ESG issues.

Shareholders are welcome to call us during business hours to share their input and perspectives as they choose. We also regularly receive feedback from brokers and financial advisors on the issues that are of the greatest interest to their clients, our investors. This generally occurs through regular interactions with members of our sales team. One recent focus has been on fossil fuel divestment, and more detail is provided in the next segment. We hear from shareholders regarding our fees and performance, which we strive to keep strong. We conducted a survey of financial planners and investors to learn more about our brand health and their perceptions and behaviors related to SRI and ESG overall. See the Broker-Dealer and Financial Advisor item above for more details. Calvert has also produced several reports, some of which are designed for investors. More details on these reports are in the "Calvert in the World" section.

5. Institutional Clients
Calvert serves a wide range of institutional clients daily including corporate plans, third-party retirement platforms, insurance companies, public funds, Taft-Hartley funds, foundations, endowments, not-for-profit groups, college and university retirement plans, bank trust departments and 529 Savings Programs through our Institutional Client team. We also work with investment analysts and consulting firms that are retained by the aforementioned client segments. To keep

institutional investors and their consultants informed of our investment performance and perspectives on sources of risk and return in the markets, we publish content specifically for this market in a reserved section of our website, **www.Calvert.com**. Some current and potential institutional clients raised the issue of fossil fuel divestment in meetings and via phone. We responded about the status of our work and encouraged them to view our website for more details, where we have published a comprehensive paper on fossil fuel divestment that includes an assessment of the fossil fuel footprint of our funds as well as a broad position statement on the topic.

6. Companies

For more information on how Calvert engages companies, please see the "Calvert in the World" section or visit **www.calvert.com/sri-criteria.html**.

7. Our SRI Peers and Colleagues

We both compete with our SRI peers for business and collaborate to address ESG risks and opportunities through shareholder advocacy and to further corporate responsibility at companies regularly. Our level of involvement with our peers and colleagues will typically depend on the issues with which we engage and how often we speak to a company and whether we are in a multi-stakeholder dialogue. We may communicate on a daily or weekly basis in preparation for engagement with a particular company and then may continue at a lesser level once every several weeks until we have wrapped up an engagement. We also regularly communicate and receive input on listservs such as the one through our trade association on issues of interest to the entire SRI community. More details on such engagements can be found in the "Calvert in the World": section of this report.

8. Local, State, and National Communities

Calvert believes in being responsive to the needs of communities. For a detailed description, please refer to the "Calvert in the Community" section of this report.

9. Non-governmental Organizations (NGOs) Addressing ESG Issues

Calvert partners with many NGOs in our advocacy work, whether to advance causes such as climate change or to engage with companies that might not meet our ESG criteria. Calvert obtains a great deal of valuable counsel and information from NGOs worldwide. In return, we try to be responsive to the needs of the NGO community whenever possible. The frequency of interaction will depend on the particular issue or engagement and may involve phone calls, emails or written collaboration. For example, we reached out several times to the Humane Society to get their perspective on animal welfare and their input helped to shape specific company engagement.

10. Federal, State and Local Governments

Calvert engages with governments at the federal, state and local levels, but of the majority of our involvement occurs at the national level. Since we are located in the Washington, D.C. metro area, we are able to meet with legislative staff and provide an investor perspective on a range of key social issues that can affect a company's performance. We may write letters and arrange for meetings to share an investor perspective around a particular issue. Examples of such engagement may be found in the "Calvert in the World" section, including letters sent to and meetings with the SEC on Dodd-Frank Section 1504 (Extractives Revenue Transparency).

11. The General Public

We regularly provide information to the public, especially investors, about SRI and our work, through our materials and the website at **www.Calvert.com**, which is always available with the latest information. We include specific details on our investments and advocacy. We also produce various reports on topics of interest to companies and investors, several of which can be found on our website, and that are of interest to the general public. Recent examples include "Transparency in California Supply Chains Guide", "Physicals Risks from Climate Change: A guide for companies and investors on disclosure and management of climate impacts" and Calvert's third biennial Diversity Report, "Examining the Cracks in the Ceiling". We update our website frequently, whenever we have new information to add.

Calvert's Governance Structure

Companies with sound governance and compliance practices, when combined with sustainability and social responsibility, are better positioned for solid long-term success. Strong governance is a critical component for those companies that want an effective governance framework in place to address issues that may arise.

For a highly regulated industry such as financial services, compliance is essential. In fact, strong compliance and governance enable us to protect our investors and manage our business properly. We believe our reputation for honesty, integrity, and compliance with the law is vital to our success and that we must hold ourselves to the same high standards that we seek in companies in which we invest. All Calvert Associates are expected to adhere to the same levels of ethics and honesty in our business.

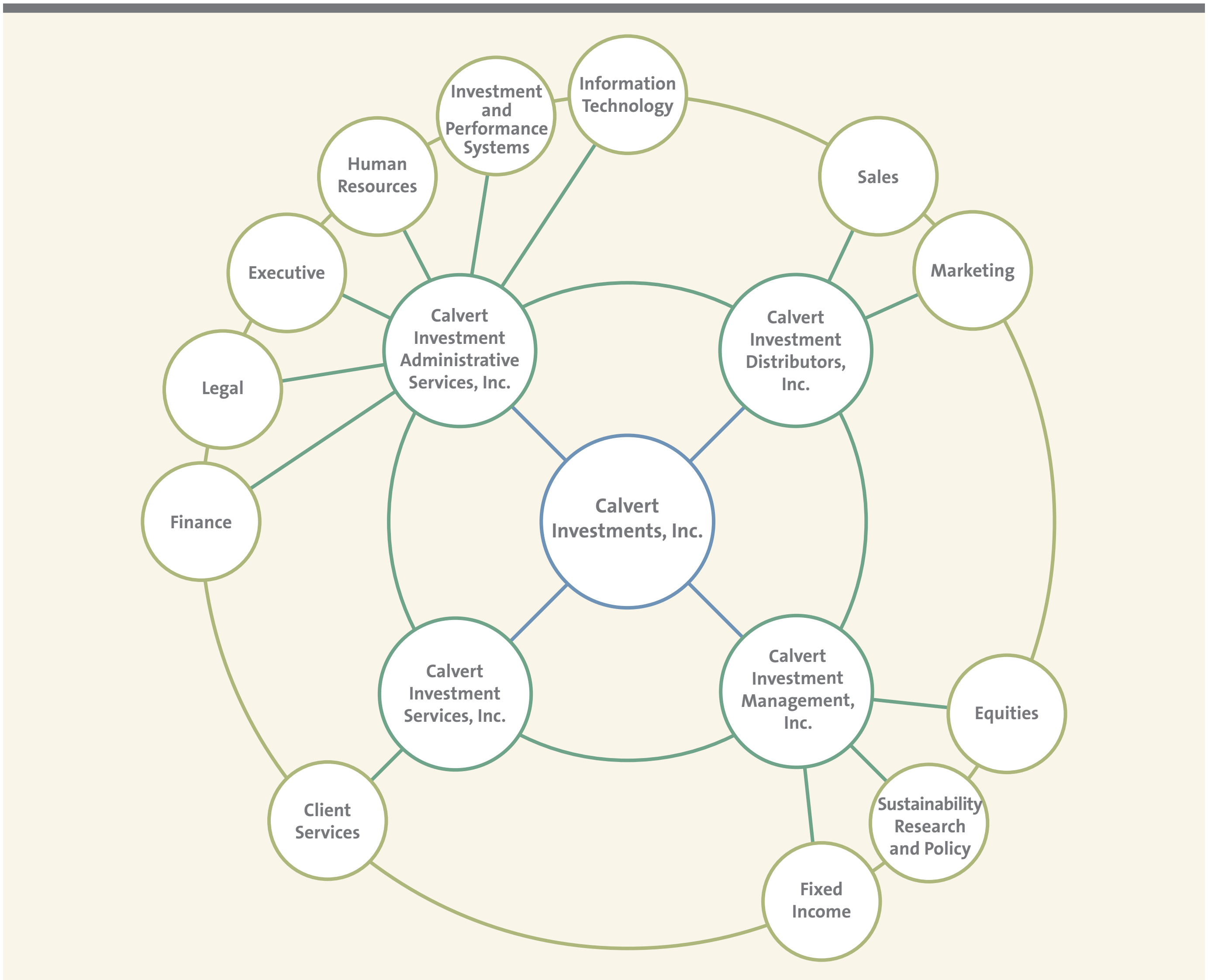
OUR GOVERNANCE STRUCTURE

Calvert Investments, Inc. (CII), is a holding company for the four Calvert operating subsidiaries, with a Board of Directors ("Board") consisting of five individuals as of December 31, 2013. One is an employee of Calvert, while four are employees of other Ameritas companies. There are three women on the board, one of whom is African-American. There are no independent board members. The Board has oversight responsibility for all operations and affairs of the company, including financial, social, environmental, and governance (ESG) performance. The Board also has an Investment Committee that provides oversight of all investment management matters. No Board member is compensated for serving on the Board. Each operating subsidiary of Calvert Investments, Inc. has its own Board, primarily made up of Calvert Associates. The Chair of all of the Boards of Directors is Barbara Krumsiek, who also serves as CEO of each company. These Boards meet quarterly and oversee all aspects of Calvert's business.

The Calvert Investments, Inc. Board stands for re-election annually, and also approves the Boards of the operating subsidiaries. Annually, the Board approves the Ameritas Companies Code of Business Conduct and Ethics and the Calvert Code of Ethics. At each quarterly meeting, the Board has an opportunity to meet in executive session, where its own performance may be discussed.

The Calvert Family of Funds consists of several different classifications of mutual funds. For each Fund, there is a Board of Trustees/Directors that supervises the Fund's activities and reviews its contracts with companies that provide it with services. Consistent with good fund governance, the Board of Trustees/Directors of each Fund has adopted a Charter for its Nominating Committee (or the Committee performing similar functions) setting forth the Committee's responsibilities. These Fund Boards consist of the Calvert Social Funds, Calvert SAGE Funds, Calvert Multiple Funds, and Calvert Variable Funds. Shareholders may send a communication to the Board of Trustees/

CALVERT INVESTMENTS, INC. AND OUR GOVERNANCE STRUCTURE *(as of December 31, 2013)*



Directors through the Fund Secretary regarding director candidates or any other issue. They may also contact individual Trustees/Directors through the Fund Secretary.

FUND BOARD GOVERNANCE

Specific processes are in place for avoiding and addressing conflicts of interest, including a conflict of interest policy statement in Calvert's Code of Ethics. Our Boards consist of highly qualified individuals who bring specific expertise to the governance of the funds. Each Fund's Board members have oversight and accountability, as well as implementation for responsible investment.

The Social Funds Board has a detailed process for determining the qualifications and expertise of Board members. When considering potential Board members, our Fund Boards consider financial expertise as well as knowledge of ESG strategies. The Social Funds, Calvert Variable Funds and SAGE Boards also consider expertise related to SRI. Each Board conducts an annual self-

AMERITAS MUTUAL HOLDING COMPANY

The Calvert Investments, Inc. (CII) Board is ultimately accountable to Ameritas Mutual Holding Company (AMHC), which owns 100% of CII (indirectly through several subsidiaries). AMHC's Board is composed of 13 members as of December 31, 2013. The AMHC Board has an independent chair, and is composed almost exclusively of independent directors, the one exception being JoAnn Martin, the CEO and President of AMHC, Ameritas Holding Company (AHC), and Ameritas Life Insurance Corp. Three directors are women and one is African-American.

The AMHC Board has several Committees—Executive, Audit, Compensation, and Nominating/Corporate Governance. (The AMHC Board has no Investment Committee because, other than its 100% ownership of its intermediate stock holding company, AHC, it has no assets to invest. The AHC Board also has several Board Committees—Executive, Audit, Compensation, Nominating/Corporate Governance, and also an Investment Committee. The AHC Board Investment Committee is principally responsible for investment-related matters. The AMHC Board Nominating/Corporate Governance Committee pays close attention to governance developments and performance. The full AMHC Board pays close attention to economic performance, governance, and social performance (for example, charitable contributions, community involvement activities, and fulfilling our contractual obligations to pay policy benefits to beneficiaries and retirees) as well. Some AMHC Board Committees have some overlapping responsibilities such as risk management.

AMHC also advances environmental, social, and governance (ESG) performance by its indirect 100% ownership of Calvert Investments, Inc., whose assets support ESG in connection with sustainable and responsible investing.

assessment comprised of broad questions designed to elicit information on a variety of topics, including social and environmental issues.

To date, Calvert has not pursued any ESG certification systems to serve as operating guidelines. The CEO has ultimate responsibility for our overall approach to SRI but shares operational responsibility with key direct reports—department heads, especially the Senior Vice President—Sustainability Research and Policy, Executive Vice President—Calvert Investment Distributors Inc., and the Senior Vice President and Chief Investment Officers—Equities and Fixed Income. Sustainability is a core component of our business and Calvert has a long history of addressing these issues, including how they will impact both our business and the assets we manage over the long term. Major sustainability risks in the near, medium and long term are regularly discussed at direct report meetings along with the role we can play in shaping and influencing these issues. Since these issues are an important part of our business, management also raises them during board meetings. In addition to the key direct reports, which meet bi-weekly with the CEO; the Investment Performance Committee meets monthly; and the Strategic Accountability Team, which meets bi-monthly; these structures address responsible investment and other investment-related issues as part of their business.

The Calvert Social Funds Board has a Social Committee, which meets quarterly, and represents the interests of shareholders in considering application of ESG criteria. This Board regularly discusses the social and environmental impact of its funds, and has been doing so for years. Calvert regularly engages with this Committee on ESG issues. The Committee has been instrumental in determining social issues to address as a way to foster dialogue internally. As a result, it held events with guest speakers on climate change adaptation in 2012 and on labor and human rights in the supply chain in 2013.

BOARD MEMBER INDEPENDENCE AND DIVERSITY

Calvert Fund Boards are composed of a majority of independent directors/trustees, with the Calvert Social Funds Board having an independent chair. The breakdown of our Fund Board and Audit Committees' independence is shown in the table below.

Calvert believes that Board diversity brings many benefits, including a broader array of perspectives representing the interests of our many stakeholders. Board diversity also offers varied viewpoints and the input we need to remain innovative in providing products and services to an increasingly diverse client base. When considering new members, the Funds' Boards take into account not only financial knowledge but also race and gender.

COMPLIANCE

Calvert has a dynamic business compliance program that is continually reviewed to ensure we are abreast of all updates in the business and regulatory compliance climate. Our program employs front-end mechanisms, such as policies and procedures intended to forestall and prevent compliance issues, as well as back-end testing programs, which utilize technology and process controls to identify and remediate any potential violations. In addition, Calvert, as a matter of course, tests its effectiveness by engaging third parties to annually review its business and compliance processes to gauge compliance with its regulatory mandate. When warranted, enhancements are made in response. These risk assessments provide assurances to the Boards that the company has effective management controls in place.

Investment advisors to mutual funds and private clients are required to establish compliance programs. As a result, Calvert has established a robust compliance program, which incorporates automation to monitor Calvert Funds and private clients' compliance with their investment objectives and guidelines. Charles River serves as the automated order management and compliance system, while the Personal Trading Assistant (PTA) monitors compliance of access persons with the Code of Ethics as it relates to Associates'

BOARD DIVERSITY *(as of December 31, 2013)*

CALVERT FUNDS	TOTAL MEMBERS	INDEPENDENT MEMBERS	TOTAL AUDIT COMMITTEE MEMBERS	TOTAL INDEPENDENT AUDIT COMMITTEE MEMBERS	PERCENTAGE OF INDEPENDENT BOARD MEMBERS
Calvert Social Funds	9	7	7	7	77%
Calvert Multiple Funds	7	5	5	5	71%
Calvert Variable Funds	7	5	5	5	71%
Calvert SAGE Fund	6	5	5	5	83%

	WHITE	AFRICAN-AMERICAN	ASIAN	AMERICAN INDIAN	HISPANIC
Calvert Investments, Inc.	2 Women 2 Men	1 Woman	0	0	0
Calvert Social Funds Boards	5 Men 2 Women	1 Woman	0	1 Woman	0
Calvert Multiple Funds	4 Men 1 Woman	1 Man	0	0	1 Woman
Calvert Variable Funds	3 Men 2 Women	1 Woman	0	0	1 Woman
Calvert SAGE Fund	2 Women	1 Man 1 Woman	0	0	2 Women

personal security transactions. Calvert's Securities Investment and Performance Systems Department oversees the functioning of the Charles River system, working in concert with the Legal Department and Fund Compliance. In addition to providing effective oversight, these methods help ensure the tracking of all investment objectives, guidelines, and restrictions.

Calvert has two dedicated compliance officers—one for the Funds and one for the advisor and the distributor. The Chief Compliance Officer for the Funds reports directly to each Fund Board. These officers and our Legal Department oversee issues relating to compliance. Several committees are also involved with oversight and compliance, including the Senior Management Compliance Committee, the Legal-Compliance Review Committee, and the Broker and Soft-Dollar Committee. In addition, there are enterprise-wide Ameritas efforts, such as Ameritas Legal and Corporate Secretary Department Staff meetings and separate Registered Adviser Compliance Legal Support meetings.

CALVERT ASSOCIATES' PERSONAL TRADING

Calvert trains all Associates on how to use the PTA, which captures, reports, and monitors daily employee personal trading activities. The system ensures that employee trades comply with applicable rules and regulations, while ensuring that the company continues to meet industry regulations and our own internal compliance procedures. This system incorporates automated reporting of employee security transactions, delivery of brokerage statements, and a system to pre-clear anticipated buy or sell requests from Associates. The PTA system provides back-end testing and can create comprehensive reports to track and monitor activity. There is also a mechanism for Associates to raise any compliance concerns anonymously.

CALVERT CODE OF ETHICS AND AMERITAS CODE OF BUSINESS CONDUCT AND ETHICS

Each of our Associates must affirm annually the Company's Code of Ethics, which mandates ethical standards and expectations with respect to compliance and the core areas related to our business. Our Code addresses matters specific to the securities industry, and includes a general prohibition against insider trading and market timing. Failure to comply with the Code or violations can result in disciplinary action, up to and including termination of employment. The Code of Ethics contains information about fiduciary duty and confidentiality, pre-clearance and reporting requirements and directorships, as well as review and enforcement. The Code, which is reviewed and approved at least annually, was last assessed in September 2013 and is on file with the SEC.

Associates must also certify the Ameritas Companies Code of Business Conduct and Ethics each year. This code covers issues such as conflicts of interest, corporate opportunity, confidentiality, company reporting, and accounting complaints. Associates are encouraged to share concerns or recommendations with their supervisors, an ombudsman, other key personnel, or contact the toll-free ethics hotline. Protection is provided to whistleblowers on human rights, labor, and other issues, and concerns can be shared either anonymously through the hotline or through the website.

Between 2011 and 2013, Calvert had no material violations of its Code of Ethics; however, there were a few instances where company "access persons" (Calvert Associates) failed to pre-clear their personal securities transactions. In such cases, the access persons were counseled, retrained, and/or reprimanded. Performance is tracked regularly by the General Counsel and reported quarterly to the Boards.

Legal Issues

Calvert is committed to maintaining a high standard of corporate ethics and integrity. We comply with all U.S. laws, including the U.S. Foreign Corrupt Practices Act, which prohibits bribery and corruption. As a financial services firm, we are also regulated by the SEC.

Compliance Outcomes

Calvert regularly evaluates its business practices and programs to make sure that it complies with the law. From 2011 through 2013, Calvert had no claims or incidents of fines or non-compliance in connection with any laws, regulations, or rules regarding bribery, corruption, money laundering, or federal campaign finance or election laws.

PRODUCT AND MARKETING COMMUNICATIONS

Generally all marketing communications including advertisements are prepared by or supervised by Associates who are registered representatives holding Series 6 or 7 licenses with the Financial Industry Regulatory Authority (FINRA). Communications are reviewed and approved by registered principals in the Legal Department to ensure SEC and/or FINRA regulations and guidance are adhered to. Furthermore, communications intended for public distribution and pertaining to specific mutual funds are filed with FINRA in accordance with regulations. Between 2011 and 2013, Calvert had no material incidents of non-compliance with laws, regulations, or voluntary codes concerning the provision and use of our products and services.

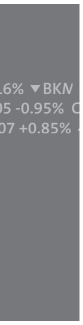
Calvert Investments maintains a privacy policy that sets forth our standards and policies for safeguarding client information and is available on our website at **www.Calvert.com**.

Calvert uses software to track visitor behavior on our website. We use this data to improve our site to better serve our visitors. Clients who prefer not to have their online activity tracked may opt out of such tracking programs. During this reporting period, Calvert is unaware of any law or security breaches, intrusions or data losses.

Email marketing and social media have become primary communication vehicles for keeping clients informed about the progress of their current investment positions at Calvert and new investment opportunities. Email marketing is executed in accordance with the privacy policy and the CAN-SPAM Act, which sets forth rules for commercial email messages. Social media is executed in accordance with an internal policy stipulating that only trained, approved content contributors may engage in social media on behalf of Calvert. All such social media activity is recorded and reviewed in accordance with FINRA regulations.

POLITICAL CONTRIBUTIONS

To date, Calvert has not made any political contributions, nor have we directed any funding to lobbying activities. Because Calvert manages the District of Columbia's College Savings Plan, Calvert Investment Distributors, Inc. as the Plan's distributor, is considered a registered municipal securities dealer. As such, we are required to comply with the Municipal Securities Rulemaking Board (MSRB) requirements, which limit certain political contributions to issuer officials, such as a mayor or city council representative, and to political campaigns of certain elected officials. As an investment advisor registered with the SEC, Calvert Investment Management, Inc. is also subject to SEC rules that limit political contributions made to public officials who are in a position to influence the award of advisory business.



Calvert in the World

Calvert encourages companies to address their environmental, social and governance (ESG) risks. As investors, we have the opportunity and the responsibility to influence not only the companies in which we invest but also society at large, creating better lives for workers, improving local communities, striving for reduction in environmental impact and encouraging better-run companies—both within the United States and around the globe. We use a variety of tools such as shareholder advocacy, proxy voting, corporate engagement, engaging with local and national governments to improve or strengthen regulations, and creating or participating in issue- or sector-area reports—all in support of these efforts. More details are described in this section.

SHAREHOLDER ADVOCACY

We seek to influence companies on ESG issues in order to improve disclosure, which helps us better understand whether and how companies are managing ESG risks and opportunities. We also encourage companies to improve their management of these issues. We use a variety of strategies to further engagement with companies through telephone calls, written communication, direct dialogue with senior company management, proxy voting, and shareholder resolutions, all aimed at persuading companies both to establish certain commitments and to encourage concrete progress—all with the goal of encouraging positive change across industries. Through our interactions, we gain a sharper sense of the company's commitments, performance and challenges, and press for improvement in specific areas of concern. We file and co-file shareholder resolutions with those companies where we believe they can specifically increase or improve on a particular ESG issue.

Often we partner with other investors and non-governmental organizations (NGOs) to advance common objectives. We believe there is power in numbers and in more company shares when we bring voices and interests to the table with different perspectives yet common objectives. We have greater leverage to work for ESG-related improvements when we work through coalitions, whether by co-filing shareholder resolutions, engaging in company-specific or broader industry-wide multi-stakeholder dialogue, joint research or public policy platforms. We regularly initiate conversations with management both as part of our social research process and corporate engagement program.

RESEARCH REPORTS AND GUIDES

Over the past three years, Calvert has collaborated on and/or independently produced several reports and guides, including:

2011

Transparency in California Supply Chains Guide

Calvert co-authored, "Effective Supply Chain Accountability: Investor Guidance on Implementation of The California Transparency in Supply Chains Law and Beyond," along with Christian Brothers Investments and the Interfaith Center on Corporate Responsibility (ICCR). The Guide, released in November 2011, identified good corporate practices to ensure corporate compliance with the California Transparency in Supply Chain Act (SB 657), which legislates accountability for companies to curtail the practices of modern slavery and human trafficking from their supply chains, and makes the business case for compliance and shareholder expectations, along with the elements of a comprehensive human rights due diligence framework. The Guide not only helped companies comply with the Act's requirements but also served as an advocacy tool for more effective management of labor and human rights risks within global supply chains.

2012

Physical Risks from Climate Change

Along with Ceres and Oxfam America, Calvert released "Physical Risks from Climate Change: A guide for companies and investors on disclosure and management of climate impacts" in May 2012. The report featured industry-based risk disclosure recommendations, plus current best practice examples and a checklist for strategic management of physical climate risks. Water risk was also incorporated into the report, which demonstrated that large corporations are increasingly turning to renewable energy to power their operations. Companies are investing in renewable energy because it makes good business sense: renewable energy helps reduce long-term operating costs, diversify energy supply and hedge against market volatility in traditional fuel markets. It also enables companies to achieve greenhouse gas (GHG) emissions reduction goals and demonstrate leadership on broader corporate sustainability and climate commitments. We distributed the report on Capitol Hill, held a briefing to educate House and Senate staff and used the report as a tool for dialogue. We also referenced the report in shareholder resolutions and as a tool to support public policy towards renewable energy.

Partnership for Resilience and Environmental Preparedness

In July 2012, Calvert and other leading companies from a new partnership initiative on climate change adaptation, Partnership for Resilience and Environmental Preparedness (PREP), released a first guide for businesses to assess and prepare for the risks and opportunities posed by climate change, entitled "Value Chain Climate Resilience: A guide to managing climate impacts in companies and communities". This report was designed as a tool for corporate leaders and sustainable investors to complement an earlier disclosure guidance report. "Value Chain Climate Resilience" aims to help company executives and senior managers gain a better understanding of climate-related risks throughout their value chains, identify where emerging market opportunities exist, take into account community needs, and develop plans that are integrated throughout the enterprise with the support of communities and civil society. The guide aided financial services and insurance sectors to understand how to engage with the companies they invest in or insure to manage risk, maximize returns, and minimize future losses. Calvert has been referencing the report in our engagement and dialogues with companies, where it has been a useful tool since it has increased our understanding of and expertise on the physical impacts of companies facing climate change today.

Ceres/Environmental Defense Fund Report on SEC Oil/Gas Risk Disclosure
Calvert contributed to a report by Ceres and the Environmental Defense Fund, released in August 2012, that analyzed SEC reporting disclosure of major oil and gas companies on climate risk and deepwater drilling risks, including those related to regulatory risks, spill response, drilling safety and environmental management, greenhouse gas emissions, and corporate governance of climate change. We continue to use the report as a basis for advocacy and engagement with these companies on improving climate risk and disclosure.

Oil, Gas and Mining Company Public Positions on Free, Prior, and Informed Consent
Calvert also contributed to Oxfam America's report "Community Consent Index Oil, Gas and Mining Company Public Positions on Free, Prior, and Informed Consent (FPIC)", which was released in September 2012. The report is an update of a 2009 compilation of public positions of 28 oil, gas and mining companies relating to community consent and social license to operate. Calvert wrote a short statement included in the report on the materiality of the issues related to FPIC and the importance of public disclosure of the policies, programs and performance metrics that indicate its full implementation.

Power Forward Report
In December 2012, Calvert Investments, Ceres and World Wildlife Fund released "Power Forward: Why the World's Largest Companies are Investing in Renewable Energy," which found that more than half of the largest corporations in the U.S. and more than two-thirds of the largest corporations across the globe have set GHG emissions reduction commitments, renewable energy commitments, or both. In fact, clean energy practices are becoming standard procedures for some of the largest and most profitable companies. A revised Power Forward Report 2.0 was released in June 2014, which found that 43 percent of Fortune 500 companies set targets in at least one of three categories: reducing GHG emissions, improving energy efficiency, and procuring more renewable energy.

2013

Calvert's Third Biennial Diversity Report
The third biennial Diversity Report since 2008, "Examining the Cracks in the Ceiling," evaluating the corporate diversity practices of companies in the S&P 100 was released in March 2013. The report found that large-cap companies are still failing to put substantial numbers of women and minorities in the boardrooms and executive suites. The highest-rated companies included Citigroup Inc., Merck & Co., The Coca-Cola Co., and JPMorgan Chase. The five lowest rated companies included Berkshire Hathaway, Simon Property Group, National Oilwell Varco Inc., Ebay, and Apache Corp. Calvert held a telenews event to help publicize the report, generating wide media coverage, including with Bloomberg, Forbes, and the Motley Fool. We were able to use the report to further our advocacy efforts and will continue to evaluate the corporate diversity practices of companies in the S&P 100. A new Diversity Report is scheduled for release in late 2014.

Investor Guide/UN Guiding Principles on Business and Human Rights
Calvert, ICCR and the Institute for Human Rights and Business launched "Investing the Rights Way: A Guide for Investors on Business and Human Rights" in March 2013 in both New York City and London. The guide outlined how investors can apply the UN Guiding Principles on Business and Human Rights as a due diligence and risk assessment framework to assess companies within their portfolios. The report and launch events demonstrate Calvert's intellectual leadership and influence among investors on both sides of the Atlantic on human rights.

Calvert produces industry and issue reports to contribute to the debate regarding best practices. We also use these reports, which benchmark company performance on key ESG issues, in our engagement with individual companies. We then use these research reports as advocacy platforms from which we file or co-file shareholder resolutions, initiate dialogue with company management and publicize our findings. In addition to deploying this combination of tools, we also reinforce our shareholder advocacy through public statements on the Calvert website and through the media to focus public attention on a particular company or issue.

Calvert engages on ESG issues with many companies in our portfolios. We prioritize based upon the size of the holding across Calvert funds or based upon top holdings of specific funds, but also on corporate responsibility and sustainability and the problems and opportunities that we can address. The research we do for our portfolios informs much of the advocacy we do. Engagement is based upon Calvert's assessment of the material ESG issues for a specific sector and company and the company's performance on those issues.

Four major strategic priorities guide our advocacy work, consistent with the signature issues with which Calvert has long been identified:

1. Diversity and Women
2. Environment and Climate Change
3. Human Rights, Labor Rights, and Indigenous Peoples' Rights
4. Governance and Disclosure

Our work across each of these issue areas incorporates the ten United Nations Global Compact (UNGC) Principles in the areas of human rights, labor, the environment, and anti-corruption. Our environmental work also includes water where we strive to incorporate the human right to water and the six elements of the CEO Water Mandate.

Outcomes

Overall, we engaged with 250 companies in 2011, 264 in 2012 and 172 in 2013. While the overall numbers may fluctuate depending on certain advocacy initiatives, we emphasize focused engagement with select companies, leading to greater impacts and influence.

SHAREHOLDER RESOLUTIONS

Shareholder advocacy has been at the heart of Calvert's SRI strategy for nearly 30 years. We regularly engage companies, policymakers, and other investors on critical governance and sustainability challenges and use our position as an owner in a company to push for improved corporate performance. When we are unable to make headway, we often will file a shareholder resolution. Shareholder resolutions can be powerful agents of change. If a resolution is not challenged by the company or withdrawn, it comes to a vote of all shareholders at the company's annual meeting.

In 2011, Calvert filed 38 resolutions, 27 of which were withdrawn due to agreements with the companies. In 2012, Calvert filed 24 resolutions and withdrew 14, and in 2013, Calvert filed 22 resolutions and withdrew 14. In addition,

BREAKDOWN OF TOTAL NUMBER OF SHAREHOLDER RESOLUTIONS FILED 2010–2013

	LEAD FILER	CO-FILER	TOTAL NUMBER OF RESOLUTIONS FILED	TOTAL NUMBER OF RESOLUTIONS WITHDRAWN
2010	30	17	47	47
2011	29	9	38	38
2012	16	8	24	24
2013	18	4	22	14

BREAKDOWN OF PROXY VOTES BETWEEN 2010 AND 2013

	COMPANY MEETINGS	PROPOSALS	SUSTAINABILITY PROPOSALS SUPPORTED
2010	4,360	38,108	528
2011	4,291	44,133	493
2012	4,206	40,294	506
2013	4,261	40,981	494

we have conducted a great many company dialogues. As a result, we have chosen to file resolutions less often. However, during our 2014 advocacy, the number of shareholder proposals climbed to more than 30.

PROXY VOTING

As a company shareholder, Calvert votes on issues of corporate governance, sustainability and social responsibility at annual meetings. We take our responsibility seriously and vote each proxy in a manner consistent with the financial and social objectives of our Funds, in support of the majority of sustainable and responsible shareholder resolutions. Calvert's Global Proxy Voting Guidelines integrate corporate governance and corporate social responsibility into what Calvert calls a "sustainable governance" model that it shares with other mutual fund companies. We apply our guidelines to all our holdings, both domestic (U.S.A.) and international. Proxy voting allows us to support shareholder resolutions filed by others that further social change and improve corporate governance. Our votes are publicly available on our website.

In 2011, each of the Fund Boards approved the use of the Global Proxy Voting Guidelines for the Calvert Family of Funds across all equity funds under management, rather than for just our sustainable and responsible funds. As a result, each of our funds, including those without explicit ESG criteria, support objectives such as diverse boards of directors and shareholder resolutions on environmental, social and governance issues that have traditionally been supported by our SRI funds.

CALVERT ENGAGEMENT/DIALOGUES/PUBLIC POLICY INITIATIVES

Calvert engages many companies held in our Funds' portfolios, through direct dialogue with senior management as well as in multi-stakeholder initiatives and standard setting exercises as outlined below. In the sections below, we describe in greater detail our advocacy activities as they relate to our strategic priorities.

1. Calvert Women's Principles® and Diversity

Calvert continues to break down barriers for women in the workplace and seeks to enhance their participation in key governance positions including the boardroom.

Calvert's Women's Principles

The Calvert Women's Principles (CWP), the first global Code of Conduct focused exclusively on empowering, advancing, and investing in women worldwide, celebrating its ten year anniversary in 2014, continues to be adapted and implemented in companies worldwide through two distinct initiatives. The Women's Empowerment Principles (WEP) were established by collaboration between the United Nations Women and the UNGC in 2010. Using the CWP as a foundation, the principles were adapted for international application based on a multi-stakeholder consultative process in which Calvert was represented. First, the WEP grew to over 600 signatories by March 2014 for the CEO Statement of Support, demonstrating the growing global reach of the CWP. Calvert continues to participate in the Annual WEP event in New York City, as it does every year. The 2013 event marked the first annual WEP Leadership Awards, which Calvert helped select in coordination with other members of the UN WEP Leadership Group.

Second, Calvert continues to serve in an advisory capacity to the San Francisco Gender Equality Principles Initiative in partnership with the San Francisco Department on the Status of Women and Verité, which are also based on the CWP. The focus of this effort is to engage Bay Area companies to develop gender equitable workplaces. Calvert's Barbara Krumsiek received the Corporate Leadership award for recognition of Calvert's leadership in promoting gender equality as good for business in 2011. She later served as the keynote speaker at its 2014 forum. Calvert has also been involved with the New York Women's Agenda, which launched the New York Women's Business Principles in 2012, also inspired by the CWP.

U.S. Senate Committee Testimony

Calvert testified before the U.S. Senate Democratic Steering and Outreach Committee in March 2012 on the importance of gender equity in economic empowerment and job creation, highlighting research showing the inclusion of women in corporate management correlates with higher shareholder value and better operating results.

Board Diversity

Calvert's view is that diversity, inclusive of gender and race, is an essential measure of sound governance and a critical attribute to a well-functioning board. A growing body of academic research shows that there is a significant positive relationship between firm value and the percentage of women and minorities on boards. Calvert has filed 67 resolutions with companies since 2002 and successfully encouraged 31 female and/or minority candidates to be added to boards. We recently reached agreements with two companies on board diversity, Air Lease and Old Dominion Freight Lines. Air Lease added a woman to the board and Old Dominion Freight Lines changed its nominating charter language to include race and gender as important considerations for board of director candidates.

2. Environment and Climate Change

Calvert has made environment and climate change a key priority across our research and advocacy work. We have focused on public policy advocacy and direct corporate and industry engagement in support of environment and climate change objectives. Calvert's multi-faceted environmental agenda has been expanded to incorporate climate adaptation impacts and strengthening advocacy on water. Calvert believes progress toward meaningful carbon reduction can and must continue on multiple fronts—U.S. and global, public policy and private investment—all at the same time, even with varying impact. We have focused on maintaining corporate and investor involvement in climate change policy in a more challenging public environment, finding opportunities to work with leading companies to protect progress and to move the policy agenda forward wherever possible.

Global Investor Statement on Climate Change

Calvert edited the draft and endorsed the final version of the 2011 Global Investor Statement on Climate Change released in October at the United Nations Environment Program Finance Initiative (UNEP FI) conference, endorsed by 285 investors, representing assets of over $20 trillion. The statement was coordinated by investor networks including two with which Calvert is closely involved: the Investor Network on Climate Risk and the UNEP FI. The statement called for national and international public policy to support increased development and deployment of renewable energy and energy efficiency to reduce greenhouse gas emissions and reduce the risk of disruptive climate change.

INCR and Production Tax Credit for Wind Power

Calvert continued to be an active member of the Investor Network on Climate Risk (INCR), particularly in the effort to support legislation for the Production Tax Credit (PTC) for wind power, which was due to expire at the end of 2012. It participated in meetings with Congressional and Senate staff and drafted an investor letter in February to the House and Senate in support of the PTC. Investor involvement helped lead to the passage of the legislation signed by President Obama, including the PTC for wind energy as part of the "fiscal cliff" deal passed by Congress. All wind projects begun in 2013 were grandfathered into an extension for the tax credit.

350.org Divestment Campaign on Fossil Fuels

Calvert closely watched the **350.org** divestment campaign urging college and university endowments, along with foundation, union and pension funds, to divest from companies producing fossil fuels. In December 2012, Calvert posted a statement on its website expressing support for the campaign's broad objectives and making the case for active ownership and engagement as a complementary strategy. The statement also pointed to specific fossil fuel companies engaged successfully by Calvert on climate change, alternative energy and revenue transparency. Calvert then posted subsequent statements in 2013 expressing support for specific elements of the President's climate change agenda and addressing its portfolio exposure with little or no exposure to the energy sector. Calvert's position embraces both divestment and engagement as a combined two-prong strategy focused on pressuring fossil fuel companies to reduce carbon emissions and shift towards renewable energy, reinforced by legislative and regulatory efforts to advance these objectives. As of July 2013, Calvert had three fossil fuel-free funds and several others with very low energy sector exposure.

PEBBLE MINE/U.S. EPA

Calvert and Trillium Asset Management coordinated investors representing over $100 billion in assets that provided comments to the U.S. Environmental Protection Agency (EPA) expressing concerns about large-scale mining in the Bristol Bay region of Alaska since 2011. Pebble Mine is a proposed copper, gold and molybdenum mine that would be situated at the headwaters of the Bristol Bay Fishery Reserve by the Pebble Partnership, made up of U.K.-based Anglo American and Northern Dynasty Minerals Ltd. of Canada and would impact Alaska's Bristol Bay watershed, which produces roughly half of the world's commercial supply of wild sockeye salmon. The EPA's draft assessment found that an open pit mine would likely cause significant negative impacts.

Calvert and Trillium sent a July 2012 letter on behalf of 30 investors with $61 billion in assets under management to the EPA commenting on the draft assessment, and circulated it to other investors for endorsement. The letter called upon the EPA to move forward with its review of mining activity in the Bristol Bay region in accordance with the Clean Water Act. As a result of such a review, the EPA may prohibit or restrict the disposal of mine waste if it determines that it will have an "unacceptable adverse effect" on water supplies, fishery areas, wildlife, or recreational areas.

In September 2013, the multinational mining company, Anglo American, the primary driver of the Pebble Mine project in Bristol Bay, withdrew its support for the project leaving the much smaller Canadian mining firm Northern Dynasty as the sole owner of the stake. While the company did not state that overcoming the huge operational challenges of building and operating a mine in the pristine Bristol Bay region and the fierce opposition to mining on the part of a diverse set of stakeholders in the area were the reasons it pulled out, it was a significant announcement for those concerned about the potential impacts of mining in that part of Alaska. In light of Anglo American's withdrawal, investors are reiterating their long-standing support for the EPA Assessment process and once again urging the agency to carefully review the potential risks of mining under the Clean Water Act.

Support for EPA Rules Related to Electric Utilities

Calvert coordinated an investor letter calling on U.S. Senators to uphold a recently established EPA Clean Air Act Rule. The June 2012 letter, signed by 34 investors with over $200 billion in assets under management, urged the Senate to oppose Senator James Inhofe's (R-OK) effort to prevent the EPA from implementing the Mercury and Air Toxics Standards for power plants. The rule requires significant reductions in power plant emissions, mostly by upgrading and retrofitting the older facilities that had been grandfathered by the original Clean Air Act. The Senate voted to uphold the rule in June 2012, a major victory for our position.

The investor letter made the case that the Mercury and Air Toxics rule will not only improve health and protect the environment, but will also create jobs. Experts estimated that the capital investments required to comply with these two Clean Air Act rules will add nearly 1.5 million jobs, or nearly 300,000 jobs per year on average over the next five years. Investment in air pollution control projects will create construction and manufacturing jobs with an impact across an industry supply chain with over 175 companies in 37 states.

Calvert also submitted comments to the EPA in June 2012 supporting the Carbon Pollution Standard to help reduce U.S. greenhouse gas emissions, and in turn Calvert argued that the proposed standard would spur innovation and investment in low- and no-carbon technologies as well as new energy infrastructure and energy efficiency. Our comments pointed out that while investors and businesses increasingly understand the risks of climate change, there are significant opportunities to invest in cleaner technologies and more efficient resources—investments that can create jobs and economic opportunities.

Challenging Companies to Address Misalignment with Trade Associations

Calvert and Walden Asset Management coordinated an open letter in 2012 to 43 major companies on the Board of the National Association of Manufacturers (NAM) from 23 investors and investment organizations, representing over $200 billion in assets under management, asking NAM to explain the misalignment between their own company's climate policies and its position seeking to strip the EPA of its ability to curtail greenhouse gases. The EPA rules were upheld and our letters were part of a broader effort to support the Clean Air Act Rules in Congress and with the EPA, which continues to retain the authority to regulate such rules.

Pioneer Natural Resources

Pioneer Natural Resources is a diversified energy company that employs hydraulic fracturing. Community concerns about water and air pollution and waste management could restrict access to resources for oil and gas companies, and state regulators are watching closely and in some cases tightening the rules or preventing fracking altogether. Given these risks, Calvert brought a shareholder resolution in 2013 asking Pioneer improve its policies, programs and performance disclosure regarding its operations that employ hydraulic fracturing. Our proposal received the support of almost 42 percent of the company's shareholders—very significant support for a first-time proposal of this kind. Following the vote, Calvert continued its very productive meetings with the company. Pioneer has committed to review a list of disclosures requested by Calvert and indicate which can be made this year and which will be disclosed at a later time. Among other things, Calvert is interested in knowing the steps the company is taking to reduce chemical use and toxicity, the ways it tracks and responds to community concerns, and how it minimizes the impacts of its water use and manages waste water.

Palm Oil Sustainability

More and more, consumer packaged goods companies are making commitments to source sustainable palm oil for use in their products. The industry uses palm oil and its derivatives—from the fruit of the oil palm tree—in food, lotions, soaps, shampoo and other items. Although there are sustainability advantages to using oil palm trees,

CAFE STANDARDS

Calvert advocated during 2012 in public testimony for the newly finalized corporate average fuel economy (CAFE) standards, that require cars to reach 54 mpg by 2025. The White House's announcement of finalized CAFE standards represents historic progress on vehicle efficiency that will have clear benefits to the environment, energy security, and consumers' pocketbooks. The new efficiency standards for cars and light-duty vehicles are estimated to reduce oil consumption by 12 billion barrels and represent about $1.7 trillion in consumer savings. The new standards are supported by the major automakers, which have already begun to shift their vehicle strategies to provide the American consumer with more innovative, fuel-efficient, and cleaner cars and trucks.

Calvert has been a long-time supporter of increased fuel economy standards, which until 2010 had remained unchanged for decades. Calvert has been a leading investor voice calling for increased standards that we believe will continue to help make American automakers more competitive, while representing a major step in U.S. policy efforts to mitigate climate change. Calvert made the case in public testimony to the EPA (most recently in support of California's Advanced Clean Cars Program), in meetings with Obama Administration officials, in dialogue with the auto industry, and through the media. We will continue to support greater vehicle efficiency, in addition to the move towards lower-carbon fuels and other environmental objectives, in our on going engagements with leading automakers and in public policy settings.

which produce a great deal of oil with less land, water, and pesticides than many other crops, there are also significant problems with the way oil palm trees are typically grown in some countries. Palm oil plantations may be responsible for significant greenhouse gas emissions, displacement of local and Indigenous Peoples, and decimation of endangered species, such as the orangutan. The urgency of multi-stakeholder efforts to improve palm oil production were brought home, as scientists with the Sumatran Orangutan Conservation Program noted hundreds of the critically endangered Sumatran Orangutan had been killed in fires deliberately set by palm oil companies.

In 2011, Calvert was the lead filer in a shareholder resolution co-filed with six other investors, asking the Colgate-Palmolive Company ("Colgate") to adopt and implement a comprehensive palm oil sourcing policy including a target date for sourcing 100% certified sustainable palm oil. We also asked the company to report to the Roundtable on Sustainable Palm Oil (RSPO), an international certification scheme for sustainable palm oil production. Following a constructive dialogue with Colgate, including a review of its comprehensive strategy regarding palm oil and palm kernel oil, Calvert and its co-sponsors withdrew the proposal in 2012. By 2015, Colgate's goal is to purchase only certified sustainable palm oil and derivatives from RSPO member companies. Colgate agreed to address this important issue in its supply chain and by reporting to the RSPO.

Pesticide Advocacy

In 2013, Calvert, with other investors, engaged several companies, including Panera Bread, Cheesecake Factory, and Hain Celestial, on the issue of pesticides used in food production. Investors sought clarification of measures to encourage suppliers to use sustainable agriculture, Integrated Pest Management, and assure consumers of minimum pesticide residues. Calvert also joined other investors and non-profit groups in calling for the EPA to follow a two-year restriction on the use of a class of pesticides believed to contribute to bee die-offs. The petition calls for the EPA to observe a moratorium followed in fifteen other countries to allow for further study on the effect of these pesticides on bees.

Montreal Carbon Pledge

(Although beyond the strict scope of the 2011–2013 report,) Calvert became the first U.S.-based manager in September 2014 to sign the Montreal Carbon Pledge, which commits us to measure and publicly disclose the footprint of investment portfolios and to take action to decrease that footprint. The Pledge was launched at the United Nations Principles for Responsible Investment (UNPRI) Summit in Montreal in September, with the aim of getting asset managers with $1 trillion in assets under management to sign before the climate talks in Paris in December 2015. We also plan to advocate with companies in key sectors of our Calvert Social Index Fund to develop science-based emissions commitments and to disclose them.

Water Sustainability

Water Advocacy and Public Policy Work

Calvert strongly supports the principle that universal access to fresh water is a fundamental human right and is at the forefront of investing sustainably. We believe in also using our voice to change corporate behavior and promote positive public-private water initiatives. We remain an active leader in policy and advocacy related campaigns such as the ICCR Food and Water working group; the Ceres Water working group; the CEO Water Mandate; and the UNPRI work related to water.

Calvert was the first investment company to endorse the UN CEO Water Mandate. Launched in 2007, this seminal, private-public initiative helps corporations develop, implement, and disclose their water sustainability practices and policies in six critical areas: direction operations, supply chain and watershed management, collective engagement, public policy, community engagement and transparency. Calvert promoted the CEO Water Mandate's Disclosure Guidance document and encouraged select holdings to pilot the approach contained in the disclosure guidelines. Calvert is active in the CEO Water Mandate's working group on human rights.

Water and Wastewater Utilities

The U.S. water and wastewater utilities industry faces growing challenges to its traditional business model, much of which is related to supply and operations uncertainty due to climate change. For example, treatment plants may be at risk from flooding or storm damage, as was the case during Hurricane Sandy, and utilities may face diminished water supply due to changes in rainfall patterns, lack of snowpack, and wildfires. Calvert was concerned that two large publicly-traded U.S. water and wastewater utilities held in the Calvert Global Water Fund were not paying sufficient attention to the risks related to climate change. Calvert wrote to the companies, American Water Works Co. and California Water Service Group. We spoke with the CEO and CFO of American Water Works and filed a shareholder proposal with California Water Services Group. The proposal asked that the company describe how it is managing risks related to climate change, including physical risks and supply risks. Through our high-level dialogue with American Water and as a result of the proposal filed with California Water, we determined that both companies are in the process of strengthening their existing reporting. Calvert also found that the companies are already benefiting from efforts to modernize their systems and adapt to climate change, and are investing in strategies to balance conservation and affordability. They are also addressing risks related to climate change. California Water, for example, is developing an updated Conservation Master Plan that will include the impact of deviations from normal weather conditions and climate change forecast scenarios for each service area. In the case of American Water, the company had established backup power at its New Jersey locations prior to Hurricane Sandy. The company's local utility was able to restore service to customers five days after the hurricane struck, whereas other utilities took up to five weeks to restore service. This engagement is an example of the due diligence Calvert conducts on behalf of the Water Fund through its shareholder advocacy, which is an explicit commitment of that Fund.

Water Risk in Supply Chain

Our water advocacy continues to focus on the theme of entwined risks from water and climate change in company supply chains, as well as the human right to water. In 2011, we identified water risk in the supply chain as a priority for shareholder engagement and filed two shareholder resolutions asking companies to conduct water risk mapping exercises and disclose complete information about water-related supply chain risks. The resolution with Fossil Inc. went to a vote and we received 31% in favor of our proposal. The company's failure to respond, engage and improve caused us to file again in 2012 and that vote earned 29% support. After two years and two resolutions, Fossil Inc. finally agreed to participate in a telephone conference with Calvert to discuss our shareholder proposal on water risk in the supply chain.

The second company, Hanesbrands Inc., offered more productive engagement. The company agreed to conduct many improvements including employing a water risk mapping tool, improving disclosure of water indicators, updating the public sustainability website and reaching out to nongovernmental organizations and others to explore working partnerships. Additionally in 2012, we filed five resolutions on environment and climate change, critical issues linked to both water availability and water quality. We engaged in numerous dialogues on water management, human rights, supply chain and disclosure. A shareholder resolution at Louisiana-based electric utility Cleco Corporation was supported by 45% of shareholders. The resolution asked for enhanced sustainability reporting, including issues related to water scarcity as a risk for electricity generation. The company agreed to produce a sustainability report in the fall of 2013.

Human Right to Water

Calvert engaged CEO Water Mandate signatory companies, particularly on the human right to water, such as Nestle and Coca-Cola. In May 2013, Calvert met with Nestle Chairman and former CEO Peter Brabeck as part of a small roundtable meeting for investors. When Calvert asked the Chairman for an overview of Nestle's approach to the human right to water, our analyst felt the answer was confusing. Calvert asked Nestle for a follow-up meeting with the Human Rights Specialist and others. In a subsequent meeting, the company clarified its approach to the human right to water. Calvert will continue to monitor Nestle's implementation of its policies.

As a member of ICCR, Calvert also engaged with Coca-Cola on a variety of water-related topics, particularly the human right to water, water mapping and pressing for greater clarity on the concept of water neutrality. This engagement has been led by staff of the Missionary Oblates of Mary Immaculate and enjoys wide participation from ICCR membership. Calvert also had several separate discussions with the company about the materiality of water risk in emerging markets and community issues related to water use and quality.

Oil and Gas Sector Companies

Calvert continues to use its ownership position to help strengthen community engagement processes. Notable in this effort is our work with Dow Chemical. With companies like this, we use strategic engagement to advance ESG performance. We encouraged Dow Chemical through face-to-face meetings to strengthen and disclose its stakeholder engagement process with community leaders, government officials and other key stakeholders who are concerned about legacy pollution problems. In 2012, the company committed to strengthening its community process and to disclosing information about corporate efforts to implement a full dioxin cleanup in Midland, MI and throughout the Tittabawassee river region. The company now maintains a website to deliver timely information to community members and is steadily making progress with both the cleanup and communication. We continue to push for more meaningful stakeholder processes that allow for stakeholder involvement early in a planning or reporting process. Too often corporations solicit stakeholder input at the eleventh hour, when a report is on its way to the printing press or a plant is about to be sited. Since water sustainability is fundamentally a local issue, we believe local experts and local stakeholders have a valuable role in the front end of water management, be it risk identification or hydrologic modeling.

In 2013, Calvert engaged several oil and gas sector companies on overall sustainability issues, including water impact. For example, Calvert discussed water issues with ExxonMobil, particularly water monitoring and management within its hydraulic fracturing and oil sands operations.

Climate Change Risk and Water

In 2013, we engaged with a number of companies on climate change risk and water. This included dialogue with McCormick & Co., on its sustainability report progress, climate change and water commitments. The company has begun responding to the Carbon Disclosure Project and recently released its first stand-alone sustainability report. We continue to actively encourage the material significance of water use through our economy, society and culture. We use the tools and venues available to us as investors, including ongoing participation in the CEO Water Mandate workstream on disclosure and transparency to promote better understanding, measurement, management, collaboration and disclosure of water impacts, water risks and opportunities.

3. Human Rights, Labor Rights, and Indigenous Peoples' Rights

Calvert strongly supports human rights, labor rights and Indigenous Peoples' rights. We continue to affirm our support for the Universal Declaration of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). We have worked to strengthen the framework in certain sectors on key issues such as: revenue transparency in the extractives industry; freedom of expression and right to privacy on the internet in China; child and forced labor in the Uzbek cotton sector; and sourcing of conflict minerals from the Democratic Republic of Congo (DRC).

We regularly engage with companies around the core International Labour Organization (ILO) labor standards (child labor, non-discrimination, forced labor and freedom of association), which are also supported by the UNGC and believe that all employees deserve to work for companies that have implemented these provisions. In the United States, these provisions are all legal requirements, but many other areas of the world operate with looser restrictions. We believe that subscribing to these tenets are important to the safety and well-being of employees worldwide. Calvert has also advocated for change with companies that are adversely affecting Indigenous Peoples' rights. Details of these significant engagements are highlighted in this section.

Investor Risks and Opportunities in Burma

Calvert has played a leading role in an investor coalition coordinated by the Conflict Risk Network to ensure that renewed U.S. investment in Burma reinforces democratic reform and respect for human rights. The coalition wrote to President Obama in May 2012 expressing concern about the risks posed by a broad relaxation of U.S. sanctions given the continuing domination of the Burmese economy by the military amidst the continuing armed conflicts in resource-rich ethnic regions of Burma, and identified specific policy steps to mitigate those risks. In support of that effort, Calvert engaged U.S. Ambassador to Burma Derek Mitchell and other State Department officials, together with representatives of two dozen human rights NGOs, in critiquing the draft investment reporting requirements for U.S. companies entering Burma. We urged that reporting of the most relevant human rights standards relevant to Burma be prescribed more specifically. In September 2012, Calvert contributed to and coordinated our signing on to a joint investor comment regarding the U.S. State Department's "Reporting Requirements on Responsible Investment in Burma." The statement highlighted the need for the reporting requirements to include those international human rights standards most relevant to Burma. In September 2013, Calvert revised its longstanding policy language that committed Calvert to urge U.S. companies to "cease operations" in Burma, which was replaced by a statement mandating Calvert to advocate "responsible investment" in the wake of the lifting of U.S. sanctions prohibiting new investment by American companies. Calvert continues to engage companies that are establishing or expanding operations in Burma as it did in June 2013 with Coca-Cola on its human rights risk assessment process as it begins operations there (and in 2012 when GE agreed to undertake a similar assessment).

Dodd-Frank Section 1502/Conflict Minerals

Calvert continued to be a leader among investors on conflict minerals through a coalition with companies including AMD, HP, GE and Ford and human rights advocacy groups led by the Enough Project and Global Witness (plus shareholder advocates As You Sow and other sustainable and responsible investment (SRI) firms). The multi-stakeholder group supported disclosure requirements to certify that certain minerals used in cell phones and other consumer electronic components (tin, titanium, tantalum and gold) are not illegally mined to fuel the continuing bloody conflict in the DRC. Such requirements were enacted as Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The SEC in August 2012 approved and released the final rule implementing the reporting requirements of Section 1502. Calvert helped draft statements commenting on the rule for both the multi-stakeholder and investor groups, which reflected the consensus that its key provisions ensure sufficient information necessary for investors to assess due diligence efforts on the part of affected companies.

After the U.S. Chamber of Commerce filed a suit against the SEC on Section 1502/conflict minerals, Calvert took the lead among the investors in the multi-stakeholder group to forge a common statement including the key companies and NGOs (identified above) to urge implementation of the law along the lines outlined by the rule, regardless of the lawsuit. In July 2013, the court upheld the "conflict minerals rule" in favor of the SEC and the statute requiring adoption of the rule, a major victory for Calvert and its allies. Calvert then called upon all covered companies to move forward with the required disclosures and related due diligence processes that can curtail the use of the conflict minerals fueling the bloody conflict in the DRC as part of a joint investor statement issued by the Responsible Sourcing Network, Boston Common Asset Management and Trillium Asset Management.

Internet Freedom of Expression and Right to Privacy/GNI

Calvert has continued its leadership role among investors in the Global Network Initiative (GNI), the multi-stakeholder initiative launched in late 2008 on the basis of a four-year long dialogue originally convened by the Center for Democracy and Technology and Business for Social Responsibility (BSR), which has brought together major internet and communications technology companies along with human rights NGOs, other SRIs and academic experts. With Microsoft, Google and Yahoo! as the initial company signatories, GNI aspires to become the global standard addressing corporate responsibility for freedom of expression and the right to privacy on the Internet. Calvert serves as a founding member of the GNI Board of Directors (and one of our executives serves as Board Secretary). Its credibility was enhanced in early 2012 when these three GNI companies—Yahoo!, Google, and Microsoft—completed the second phase of the assessment process. These three original GNI companies have now been joined by two other members—Websense and Evoca—and discussions continue with a number of telecom and hardware sector as well as Internet content companies. 2013 saw Facebook added as part of GNI's base with Internet companies, extending its global reach at the conclusion of its year-long observer status. GNI has also engaged in an "Industry Dialogue" with eight European-based telecom companies to develop their policies on censorship, privacy and other human rights-related issues. Calvert helped draft GNI statements on the need for greater transparency and accountability around surveillance and striking a stronger balance between those national security needs and the right to privacy. Calvert continues to engage on these issues largely through the GNI—as its leading investor voice—but also reach out as we did with Verizon to raise these issues with individual companies we own.

McDonald's and Supply Chain Issues

Calvert worked directly with McDonald's to develop a new supply chain Code of Conduct, which now includes standards regarding human rights and human trafficking, freedom of association, and explicit support for the United Nation's Universal Declaration of Human rights. The Code also includes stronger whistleblower protection, grievance and violation reporting procedures. As a result, the company's supply chain code is now one of the strongest for U.S.-based restaurant chains, rivaled only by that of Starbucks. The company rolled out the new code online and in a pamphlet that included a quotation from Calvert noting the importance of protecting human rights in the supply chain. Calvert believes that improving the sustainability of food supply chains will help offset long-term brand and supply-disruption risk that can affect company performance, as well as the livelihoods of local communities and the confidence of consumers. Calvert continues to engage McDonald's on the importance of fair wages and benefits for its own employees and those of its franchisees. Calvert is particularly concerned about restaurant lobbying against minimum wage increases, and is considering ways to influence McDonald's and other chains on this issue.

UNGC Human Rights Working Group

Calvert joined the UNGC Human Rights Working Group in late March 2013 as one of nine new members selected. The group was formed in 2006 and has been active in developing and refining tools and other guidance materials for business on how to respect and support human rights. Calvert participated in a December 2013 meeting in Geneva and chaired the session on "The Financial Sector: Towards greater clarity on how the UN Guiding Principles apply" at the Second Annual UN Business and Human Rights Forum.

Forced Labor in the Uzbek Cotton Industry

Calvert has continued to participate actively in an international multi-stakeholder initiative with major global apparel brands, other SRI firms and U.S. and European-based NGOs to address forced child labor in Uzbekistan's cotton fields every fall harvest, the largest instance in the world of a government directly mobilizing child labor on such a massive annual scale. In late 2011, Calvert assumed the coordination of the Uzbek Cotton Diplomatic Working Group, a subset of the larger coalition, which focuses on engagement with a broad spectrum of key policymakers at the ILO, U.S. State

PEPSICO — LABOR AND HUMAN RIGHTS

Pepsico (PEP) is the world's second largest beverage manufacturer. With a global supply chain and global distribution network, labor and workplace rights are a top issue for this company. Pepsi has faced labor and human rights challenges in its own operations, as have its bottlers. The company also faces human rights challenges in the sourcing of water and agricultural commodities from suppliers. While the bottlers are not fully controlled by Pepsi and suppliers even less so, the labor and human rights challenges within these segments of Pepsi's value chain represent significant risk to the company. Following Calvert's emphasis in 2012 on the need to improve its supply chain labor and human rights framework, Pepsi overhauled its commitment and approach to human rights. The company formed two cross functional teams, including at the executive level, overhauled its supplier code of conduct and is conducting country level assessments of human rights risks. The company committed to integrate its findings into management systems, develop key performance indicators, track performance and report externally on its progress.

Department, UNICEF, and others. Calvert and other members of the coalition met with the U.S. Ambassador to Uzbekistan in March 2012 to gain insight into the Uzbek government's continuing disinclination to work with the ILO and the U.S. Government's willingness to push them to do so. It later sent letters to Secretary of State Hillary Clinton calling for the U.S. Government to take immediate steps to end the use of forced child labor in Uzbekistan and expressed disappointment that the U.S. Government had failed to downgrade Uzbekistan in its annual Trafficking in Persons (TIP) Report for its continued systematic use of child and forced labor.

Indigenous Peoples' Rights

Global Reporting Initiative (GRI) G4 Indicator Comments

In 2013, Calvert submitted both general comments to the GRI on the G4 draft indicators and also emphasized ways to strengthen reporting of their policies and operational impacts on Indigenous Peoples.

Investor Letter

Calvert signed a joint investor letter of support to the original sponsors of the Non-Disparagement of Native American Persons and Peoples in Trademark Registration Act of 2013 in Congress, with the objective of delegitimizing trademarks that use the term "redskin", a term offensive to many American Indians.

UNDRIP Business Reference Guide

Calvert supplied comments earlier in the year and again in October to drafts of the "United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP): A Business Reference Guide" being produced by the UNGC. The Guide, designed to help businesses respect and support the rights of Indigenous Peoples, was released in December 2013.

Protecting Indigenous Peoples' Rights

Calvert continued its efforts to support Indigenous Peoples' rights through various projects. We wrote to and met with Joachim von Amsberg, World Bank Vice President and Head of Network Operations Policy and Country Services in 2012, to register Calvert's support for stronger protections for Indigenous Peoples in World Bank policies and procedures in the context of the current safeguard policy update process, expressing our opinion that the Indigenous Peoples policy should remain a stand-alone policy. Assurances were provided at the meeting and subsequently in a further letter from von Amsberg that the interests of Indigenous Peoples would be protected as the safeguard review process moves forward even without a stand-alone policy focusing on Indigenous Peoples.

FedEx Corporation/NFL Franchise

Calvert co-filed a floor resolution at FedEx's annual general meeting in September 2013, along with Boston Common and Mercy Investments. The Oneida Nation of Wisconsin served as the lead filer and presented the resolution, which asked the company to reassess and reconsider its involvement with the Washington NFL (National Football League) team in light of the team name. Although the vote count was small as the motion can only be voted on by shareholders present at the meeting, we believe it sent a message to the company on this issue. Calvert will continue to work with other investors on this issue to press for change. Calvert subsequently co-filed another floor resolution, on the same topic, which was presented at the company's 2014 annual meeting.

4. Governance and Business Ethics

Calvert has made a concerted effort to sharpen the focus of its corporate governance advocacy around shareholder rights in the context of the significant gaps revealed by the financial crisis, making significant progress through shareholder resolutions on governance and disclosure during the last three years.

Dodd-Frank Section 1504: Extractives Revenue Transparency

Calvert has continued to demonstrate leadership among investors in supporting extractive revenue transparency as an imperative for investors interested in full disclosure of material information related to oil, gas and mining in certain countries.

The SEC issued the final rules for the implementation of the Section 1504 provision of Dodd-Frank in August 2012. The content of the final rules were broadly consistent with the position advocated by Calvert, representing a remarkable victory. Calvert's previous written comments to the SEC were cited and quoted extensively in notes to the rules, especially with respect to the materiality of particular factors to which it drew attention. Subsequently, a lawsuit was filed by the U.S. Chamber of Commerce and the American Petroleum Institute (API) challenging the rules. In July 2013, U.S. District Court of the District of Columbia issued a ruling that "vacated" the SEC's rule, declaring it inoperative until the SEC addresses certain key issues (the necessity for exemptions for certain countries and public reporting of the disclosures).

In August 2013, Calvert drafted and submitted a letter to SEC Chairman Mary Jo White endorsed by investors representing more than $5.6 trillion in assets under management that acknowledged the value of the Commission's rules to implement Section 1504 and urged it to reinstate rules consistent with those issued. In the fall, Calvert held four separate meetings with SEC staff and Commissioners Michael Piwowar and Kara Stein to discuss investor support for the disclosures required by Section 1504 and the steps the Commission may take in response to the ruling in API vs. SEC. Calvert emphasized the materiality of the disclosures required by Section 1504 and the need for the SEC to continue its vigorous defense of this long-needed reform. Calvert will continue its advocacy in support of a strong rulemaking for Section 1504 in 2014.

Beyond the SEC process, we have been a resource to investors and regulators in jurisdictions such as the European Union, Canada and Australia where complementary laws are in development or under consideration. In addition, Calvert has been a key contributor to the multi-stakeholder group that is implementing the Extractives Industry Transparency Initiative (EITI) in the United States. We hope the result of these efforts will be a global standard of transparency and good governance in the oil, gas and mining industries.

Executive Compensation

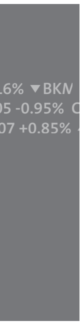
In 2011, the Calvert Funds Boards approved changes to Calvert's proxy voting policy on executive compensation. Since the passage of Dodd-Frank, publicly traded companies in the United States are required to give shareholders a "Say on Pay," meaning shareholders have an opportunity to vote on the compensation report for the previous year and let corporate boards and management know whether they believe that the compensation awarded was justified. Calvert believes too many companies are awarding excessive compensation to senior executives, not aligning such compensation with the long-term performance of the company, and/or not explaining their approach to compensation adequately. In 2012, Calvert voted against more than 30 percent of company compensation reports since implementing our revised approach and has written to many companies to explain our votes against management. In addition to a strict set of voting guidelines on executive compensation, Calvert wrote to key companies to communicate our reasons for voting against their "Say on Pay" proposals. During 2013, Calvert voted against 42% of company compensation reports. We wrote to and had dialogue with a number of these companies regarding our "Say on Pay" votes.

Sustainability Disclosure

Calvert filed seven shareholder resolutions on sustainability disclosure during the 2012 proxy season, including five as lead filer with John Wiley and Sons, PF Chang's China Bistro, Garmin, DSW, and Cleco Corporation and two as co-filer with Crocs and Gentex. Two of the six shareholder resolutions filed on sustainability disclosure went to a vote before the company's shareholders. Both Cleco Corporation, a Louisiana-based utility, and Gentex, a major supplier for the automotive industry, were unwilling to make commitments to Calvert in exchange for a withdrawal of the resolutions. The Cleco Corporation resolution received 34% support while the Gentex resolution received 32% support. Calvert withdrew its proposals from the other companies—DSW, Garmin, PF Chang's, Crocs and John Wiley—after those companies agreed to begin or improve their existing sustainability reporting.

That same season, we filed our 65th shareholder resolution asking for enhanced sustainability disclosure. Water use and water quality are typically included in the suite of performance indicators we ask high-impact companies to track and disclose. Calvert has increasingly focused on the link between climate impacts and water risk recognizing that climate change may complicate and exacerbate water scarcity, flooding, competition for water resources, water pricing, insurance costs and other issues that affect small and large companies alike. In 2012, we worked closely with the Carbon Disclosure Project (CDP) and the Carbon Disclosure Project – Water. To encourage better reporting, we sent letters to non-responders. We attended the CDP Investor Event and Launch in New York City. We also shared the podium with CDP at an EPA-sponsored symposium on the Economic Importance of Water, presenting the investor case for enhanced disclosure of water risk and opportunity.

Calvert withdrew two resolutions related to sustainability reporting during the 2013 proxy season, with both LifePoint Hospitals and Cameron agreeing to publish sustainability reports. Health Management Associates, Cleco and Pioneer Natural Resources were unable to satisfactorily address Calvert's proposals and the resolutions were brought to the companies' annual meetings for a shareholder vote. For the 2014 proxy season, we withdrew resolutions at Quest Laboratories and Brookdale Senior Living, as they agreed to expand their sustainability report and to publish their first one in 2016, respectively.



Collaborative Action and Engagement

Calvert expands our influence through participation in a large number of groups and organizations that work to further positive social change and advance issues of concern for our stakeholders. Calvert actively participates in numerous initiatives and partnerships with like-minded organizations, such as non-governmental organizations (NGOs) and other sustainable and responsible investment companies, to reach common goals. Such partnerships allow us to engage companies and effect change to a greater extent than if we were to operate alone.

At times, Calvert co-files shareholder resolutions with other sustainable and responsible investment (SRI) firms and non-financial organizations. Calvert is also a member of many organizations, both domestic and international, whose work is critical to us. A few representative relationships and projects are listed below.

Business for Social Responsibility

Calvert is a member of Business for Social Responsibility (BSR), a global network of more than 250 member companies that work to develop sustainable business strategies and solutions.

CDP

CDP, formerly the Carbon Disclosure Project operates the only global climate change reporting system. It harmonizes climate change data from organizations around the world and develops international carbon reporting standards. CDP

COLLABORATIVE ENGAGEMENT

ORGANIZATION	ADOPTION	COUNTRIES/OPERATIONS WHERE APPLIED	RANGE OF STAKEHOLDERS INVOLVED
San Francisco Gender Equality Principles Initiative (Public/Private Partnership)	2010	Worldwide	Companies and the City of San Francisco
UN CEO Water Mandate	2008	Worldwide	Companies
UN Global Compact (UNGC)	2001	Worldwide	Companies
UN Environment Programme Finance Initiative (UNEP FI)	2003	Worldwide	Global Financial Sector
UNEP FI Asset Management Working Group (UNEP FI AMWG)	2003	Worldwide	Asset Managers
UN Principles for Responsible Investment (PRI)	2006	Worldwide	Investors
UN Women's Empowerment Principles (WEP)	2009	Worldwide	Companies

acts on behalf of 767 institutional investors holding $92 trillion in assets under management and 50 purchasing organizations such as Dell, PepsiCo and Walmart. Calvert has a representative on the joint United Nations Principles for Responsible Investment (UNPRI)/CDP Carbon Action Initiative.

Ceres

Ceres leads a national coalition of investors, environmental organizations and other public interest groups working with companies to address sustainability challenges such as global climate change and water scarcity. Ceres regularly invites Calvert representatives to serve on stakeholder groups that it coordinates for large companies.

Global Network Initiative

The Global Network Initiative (GNI) is a multi-stakeholder group of companies, civil society organizations (including human rights and press freedom groups), investors and academics creating a collaborative approach to protect and advance freedom of expression and privacy in the information and communication technologies sector. Calvert is a co-founder and serves on the board.

Interfaith Center on Corporate Responsibility

Interfaith Center on Corporate Responsibility (ICCR) is a coalition of active shareowners who view the management of their investments as a catalyst to promote justice and sustainability in the world. Comprising nearly 300 organizations with collective assets totaling over $100 billion, ICCR members help shape corporate policy on a host of environmental, social and economic justice concerns. Calvert has been involved with ICCR for over two decades and participates in several investor groups that engage with companies on particular social issues.

Investor Environmental Health Network

The Investor Environmental Health Network (IHEN) is a collaborative partnership of investment managers, advised by NGOs, concerned about the financial and public health risks associated with corporate toxic chemicals policies. Calvert has had a multi-year relationship with IEHN.

Investor Network on Climate Risk

The Investor Network on Climate Risk (INCR) is a network of 100 institutional investors representing more than $13 trillion in assets committed to addressing the risks and seizing the opportunities resulting from climate change and other sustainability challenges. Calvert was actively involved with Ceres' Shareholder Initiative on Climate and Sustainability that addressed climate change and other issues. We play a leading role on INCR's policy working group and are actively involved in its sustainable stock exchange working group.

Oxfam America

Oxfam America is a global organization working to right the wrongs of poverty, hunger, and injustice. As one of 17 members of the international Oxfam confederation, it works with people in more than 90 countries to create lasting solutions. Oxfam saves lives, develops long-term solutions to poverty, and campaigns for social change. Calvert is active in the Behind the Brands campaign, which engages with companies on a campaign scorecard. A Calvert executive serves on Oxfam America's Advisory Board.

Publish What You Pay Coalition

Calvert is an active member of the Publish What You Pay Coalition (PWYP), a global network of civil society organizations united in their call for oil, gas and mining revenues to form the basis for development and improve the lives of ordinary citizens in resource-rich countries.

United Nations Global Compact

Calvert was one of the earliest U.S. endorsers of the United Nations Global Compact (UNGC), which affirms human rights, labor standards, and the environment. These principles include commitment to uphold the freedom of association; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor; and the elimination of discrimination in respect to employment and occupation. We submit an annual Communication on Progress (COP) report each year explaining the steps we have taken to further the principles. This year, our sustainability report will serve as our annual COP. Previous reports may be viewed on our website at **www.calvert.com/newsArticle.html?article=20859** or on the UNGC's website. Calvert joined the UNGC's Human Rights and Labour Working Group, and continues to be a member of the CEO Water Mandate. Calvert is also actively involved in the Women's Empowerment Principles—which we helped to create and are based on the Calvert Women's Principles.

United Nations Environment Programme Finance Initiative

United Nations Environment Programme Finance Initiative (UNEP FI) is a global partnership between the United Nations Environment Programme (UNEP) and the global financial sector that encompasses over 200 financial institutions, including banks, insurers and fund performers that are Signatories to the UNEP FI Statements and partner organizations that promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realize the adoption of best environmental and sustainability practice at all levels of financial institution operations. One of the most influential sub-groups of UNEP FI, launched in 2003, is the Asset Management Working Group (AMWG), of which Calvert is a founding member. Through the AMWG, Calvert and others have worked to educate institutional investors on the importance of integrating environmental, social, and governance (ESG) factors into the investment process. Calvert CEO Barbara Krumsiek served as Co-Chair of UNEP FI from 2010 to 2012. Calvert is involved in the Natural Capital Declaration and with the Investment Commission.

United Nations Principles for Responsible Investment

United Nations Principles for Responsible Investment (UNPRI) is a network of international investors working together to put the six Principles for Responsible Investment into practice. Calvert participates through the clearinghouse and is involved in advocacy through the organization. We also respond to an annual questionnaire on our progress. The results are available on their website at **www.unpri.org**. Calvert joined the UNPRI Labour Standards Working Group, which commissioned a benchmark report to evaluate public companies' commitments to protect labor standards by the top 100 food and beverage companies. We are active in the UNPRI/CDP Carbon Action Initiative while taking the lead on engagement with one company. Calvert also participates in the UNPRI Indigenous Peoples, Hydraulic Fracturing and ESG Integration Working Groups.

U.S. Extractive Industries Transparency Initiative

The Extractive Industries Transparency Initiative, or EITI, is a voluntary, global effort designed to strengthen accountability and public trust for the revenues paid and received for a country's oil, gas and mineral resources. Countries that follow the standard publish a report in which governments and companies publicly disclose royalties, rents, bonuses, taxes and other payments from oil, gas, and mining resources. A Calvert representative is one of 21 primary members of the U.S. Extractive Industries Transparency Initiative (USEITI) multi-stakeholder group representing civil society. Calvert is also a member of the EITI international investor cohort.

U.S. SIF

U.S. SIF is the U.S. membership association for professionals, firms, institutions and organizations engaged in sustainable, responsible and impact investing. The Social Investment Forum changed its name to U.S. SIF in June 2011. Calvert has had a long association with this trade group. U.S. SIF also oversees the Sustainable Investment Research Analyst Network (SIRAN), an analyst network that advances research on corporate social responsibility and provides professional support for industry analysts. Calvert has representation on the Steering Committees for the Indigenous Peoples' Working Group and as co-chair of SIRAN.

Select Other Organizations

Calvert executives also serve on the boards of a range of organizations, including the Calvert Foundation, Eugene and Agnes E. Meyer Foundation, Girl Scouts USA, Junior Achievement USA, Institute for Business and Human Rights, the National Resources Governance Institute, Global Witness, and EG Justice.

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Calvert At Work

Calvert strives to provide a positive and productive work experience for all Associates. We offer a diverse workplace, with family-friendly benefits and time off each month to volunteer..

DIVERSITY

Calvert intentionally seeks diverse applicants for open positions. We then select the best-qualified candidates for open positions and as a result the demographics of our workforce are very diverse. This is especially evident in Calvert's female and minority representation. According to a 2006 Equal Employment Opportunity Commission (EEOC) report (which has not since been updated), "Diversity in the Finance Industry," in the Fund industry, 41.2% of officials and managers are female nationally. As of December 31, 2013, 66.7% of Calvert officials are female. The EEOC report referenced above indicates 13.7% minority representation at the officials and managers level nationally for Fund companies, which closely matches Calvert's minority representation at the senior management level, which was 11.1% in 2013. Calvert's minority representation overall has increased by 2.79% from 2012 to 2013. At 31.83% in 2013, Calvert's demographics exceed the average minority population of 24%[1] in financial services firms nationwide.

New Hires and Gender

Calvert's new hires also reflect gender diversity. The numbers increased from 38% female in 2011 up to 40% in 2013. New hires are not tracked by region.

Equal Employment Opportunity

Calvert, an Ameritas company, is an equal opportunity employer. Ameritas employs qualified individuals for specific positions based on their education, experience, and ability. Our policy is to provide equal employment opportunity to all qualified Associates and applicants without regard to race, color, religion, national origin, sex, age, disability, veteran status, sexual orientation, gender identity or expression or other factors that cannot be lawfully used as the basis for an employment decision.

CALVERT NEW HIRES

YEAR	NUMBER OF NEW HIRES	FEMALE	MALE
2010	8	75%	25%
2011	16	44%	56%
2012	10	40%	60%
2013	20	40%	60%

[1] *Source: Securities Industry and Financial Markets Association's 2007 Report on Workforce Diversity and Organizational Practices—Executive Report.*

COMPENSATION AND BENEFITS

Compensation

Staying abreast of compensation trends helps us retain valuable Associates and attract highly skilled recruits. To stay competitive, we participate in surveys with compensation consultants that specialize in the financial services industry, and use other surveys as necessary. Calvert's research indicates that our compensation program is reasonable compared to other companies within the industry. Base salaries are within industry norms, contributing to our ability to attract and retain highly skilled and motivated Associates.

Calvert Senior Management

The structure and number of Associates on Calvert's senior management team changed from 2011 to 2013. In general, it is now a smaller team in order to improve the efficiency of its operations. As with other positions throughout the company, every attempt is made to identify a diverse candidate pool when executive positions become available. Below is a summary of the make-up of the senior management team from 2011-2013.

BREAKDOWN OF CALVERT SENIOR MANAGEMENT BY WOMEN AND MINORITIES

FOR YEAR END	TOTAL NUMBER	PERCENTAGE WOMEN	PERCENTAGE MINORITIES
2010	14	50%	21%
2011	14	50%	21%
2012	12	58%	17%
2013	9	67%	11%

Each Calvert executive has annual objectives upon which their individual performance is assessed and merit increases determined. Objectives generally include financial metrics, individual performance metrics, and may include sustainable and environmental performance when relevant. Calvert is a privately held company and therefore, we do not disclose actual compensation figures for our senior managers.

Benefits

As part of Ameritas Holding Company, Calvert participates in the Ameritas benefit programs, which are part of a total rewards program. Total rewards reflect the total value proposition provided to Associates for their employment with the company, representing a broad spectrum of plans and programs designed to attract, retain, reward and recognize Associates with health insurance, short-term disability coverage, retirement programs, paid time off and more. This program includes comprehensive, competitive and cost-efficient benefits for Associates that address their differing needs throughout the various stages of their careers and lives. The overall benefits package is designed to help:

- Support Associates and their families' health and wellness, with an emphasis on prevention and health maintenance;
- Protect Associates and their families from unanticipated financial hardship due to illness, disability, or death; and
- Provide for basic financial security in retirement.

Full-time or part-time Associates who are regularly scheduled to work at least 30 hours per week are eligible to participate in the benefit programs. All regular Calvert Associates participate in the Ameritas 401(k) Retirement Plan, offered to all Associates across the Ameritas enterprise. There are three components to this plan: the Associate's contribution, the company match (up to 3% of compensation), and the company basic contribution (a 5% basic contribution is added to each Associate's retirement account at the end of each quarter based on the Associate's quarterly earnings—even if the Associate does not make voluntary contributions to the plan). Associates are immediately 100% vested in their contributions

GENDER AND RACIAL/ETHNIC PROFILE OF OUR STAFF IN 2010

Total Number of Employees: 200	WHITE		BLACK OR AFRICAN AMERICAN		HISPANIC OR LATINO		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER		TWO OR MORE RACES		TOTAL MGR	TOTAL NON-MGR	TOTAL
	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR			
Female	8.1%	25.3%	1.0%	6.1%	0.5%	0.5%	0.5%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	9.9%	36.5%	46.3%
Male	11.1%	26.8%	0.5%	6.6%	0.0%	2.5%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.5%	1.5%	12.3%	41.4%	53.7%
Total	19.2%	52.1%	1.5%	12.7%	0.5%	3.0%	0.5%	7.5%	0.0%	0.0%	0.0%	0.0%	0.5%	2.5%	22.2%	77.9%	100.0%

GENDER AND RACIAL/ETHNIC PROFILE OF OUR STAFF IN 2011

Total Number of Employees: 200	WHITE		BLACK OR AFRICAN AMERICAN		HISPANIC OR LATINO		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER		TWO OR MORE RACES		TOTAL MGR	TOTAL NON-MGR	TOTAL
	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR			
Female	8.5%	24.5%	1.0%	5.5%	0.5%	0.5%	0.0%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	10.0%	36.5%	46.5%
Male	12.0%	26.0%	0.5%	7.5%	0.0%	2.5%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.5%	1.5%	13.0%	40.5%	53.5%
Total	20.5%	50.5%	1.5%	13.0%	0.5%	3.0%	0.0%	7.5%	0.0%	0.0%	0.0%	0.0%	0.5%	3.0%	23.0%	77.0%	100.0%

GENDER AND RACIAL/ETHNIC PROFILE OF OUR STAFF IN 2012

Total Number of Employees: 200	WHITE		BLACK OR AFRICAN AMERICAN		HISPANIC OR LATINO		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER		TWO OR MORE RACES		TOTAL MGR	TOTAL NON-MGR	TOTAL
	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR			
Female	8.5%	24.5%	1.0%	5.5%	0.5%	0.5%	0.0%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	10.0%	36.5%	46.5%
Male	12.0%	26.0%	0.5%	7.5%	0.0%	2.5%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.5%	1.5%	13.0%	40.5%	53.5%
Total	20.5%	50.5%	1.5%	13.0%	0.5%	3.0%	0.0%	7.5%	0.0%	0.0%	0.0%	0.0%	0.5%	3.0%	23.0%	77.0%	100.0%

GENDER AND RACIAL/ETHNIC PROFILE OF OUR STAFF IN 2013

Total Number of Employees: 176	WHITE		BLACK OR AFRICAN AMERICAN		HISPANIC OR LATINO		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER		TWO OR MORE RACES		TOTAL MGR	TOTAL NON-MGR	TOTAL
	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR	MGR	NON-MGR			
Female	10.80%	21.02%	1.14%	6.82%	0.57%	0.57%	0.00%	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	1.70%	12.50%	34.66%	47.16%
Male	10.80%	25.57%	0.57%	6.82%	0.00%	2.84%	0.00%	4.55%	0.00%	0.00%	0.00%	0.00%	0.57%	1.14%	11.93%	40.91%	52.84%
Total	21.59%	46.59%	1.70%	13.64%	0.57%	3.41%	0.00%	9.09%	0.00%	0.00%	0.00%	0.00%	0.57%	2.84%	24.43%	75.57%	100.0%

and earnings. They become 50% vested in the Company's basic contributions and earnings after two years of service and 100% vested in the Company's basic contributions after three years of service.

Employee Retention

The average tenure of Calvert Associates is 11 years, with a historic retention rate of generally over 90%. However, during the end of 2012 and into 2013, Calvert implemented a number of structural changes in several departments. As often happens when there are organizational changes, Calvert experienced an increase in voluntary turnover rates, from 6.9% in 2011 and 7.7% in 2012 to 13% in 2013. Efforts are being made to address Associate engagement and the causes of Associate turnover. Since we are a small company and our turnover is so low, we find it more meaningful to conduct exit interviews to determine why Associates have left, as opposed to tracking turnover by age or gender. For example, some Associates have chosen expanded opportunities at other companies or chosen to leave due to commuting issues, retirement or choosing to stay home to take care of family members.

Associate/Management Relations

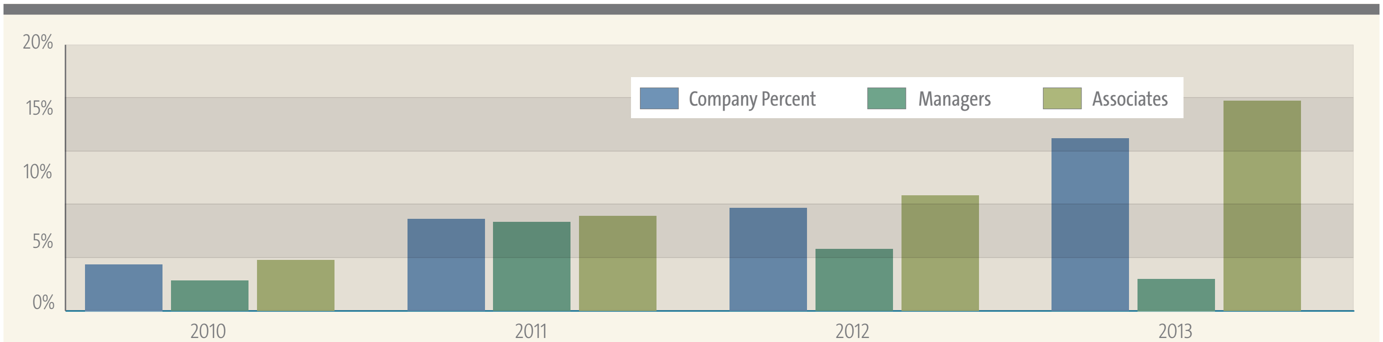
Calvert strives to achieve a culture of openness and collaboration that promotes positive relations between Associates and management. Calvert's Associates are not represented by a labor union or a collective bargaining agreement. Instead, Associates are encouraged to communicate directly with Calvert Management and we maintain an open door policy.

The company has policies and procedures that allow employees to seek advice about issues of concern to them, which are overseen by our Human Resources Department. It also has formal grievance mechanisms in place to address and deal with any incidents or unresolved issues, as well as procedures to deal with any other incidents that may arise. The company does track and review performance in this area and flags any incidents. Whenever there are position eliminations, Calvert provides four weeks' notice to the affected Associates. Calvert had some position eliminations during the 2011-2013 reporting period due to departmental structuring and changing business needs. Using an average of the number of Associates over the time period, less than 9% of our Associates were impacted, while several of these Associates found other positions within in the company.

As a signatory and active participant of the UNGC, we support the key International Labour Organization (ILO) labor standards, which includes prohibitions against child labor, discrimination, forced labor, and allow freedom of association and collective bargaining. Calvert upholds these standards and requirements incorporated into U.S. laws, including the Civil Rights Acts of 1964 and 1991.

All Associates receive annual performance assessments, which include a review of past-year performance both in the form of self and manager assessments.

ANNUAL TURNOVER PERCENTAGES 2010–2013



Associate Engagement

Calvert conducted an Associate engagement survey in 2013. Below are the results since 2010:

Calvert's percent favorable scores for Manager Effectiveness and Performance Excellence are above the norm for the financial industry. We attribute these scores partly to a focus on manager development and partly on more robust performance objectives.

The percent favorable scores for Associate Engagement have declined since 2011. A team of managers conducted engagement conversations with Associates during the summer of 2013 in order to get more granular information about this decline. Managers individually met with approximately nine Associates outside of their chain of command and asked the following questions:

1. How do you feel about the direction our company is going? What concerns do you have about our company's future? What excites you about our future?
2. What suggestions would you make to senior leadership to improve the future of our company?
3. What would enrich your career experience here at Calvert?

The feedback from those individual conversations spanned a range of topics; however, four significant themes emerged:

- Communication
- Associate Development, particularly professional development
- Clarity and continuous updates on business strategy and direction
- Building relationships in and across departments at Calvert

As a result of this feedback, several action items have occurred. They include:

- Re-launching of an online Calvert Fundamentals course available to all Associates
- Conducting regular meetings with Associates to provide updates on Calvert's strategy and direction
- Implementing strategies to help Associates get to know each other better

PERCENT FAVORABLE

	2010	2011	2012	2013
Associate Engagement	67%	72%	68%	63%
Manager Effectiveness	77%	79%	75%	78%
Performance Excellence	74%	76%	74%	75%

Benefits and Services

Calvert remains committed to being a family-friendly workplace and a great place to work. It offers a number of services and benefits to that end:

- Flexible work arrangements, such as flex schedules, compressed work week, job sharing, and telecommuting
- Reimbursement of up to $120 annually for the purchase of walking shoes or a one-time subsidy of up to $500 for the purchase of a bicycle for Associates who commute to and from work by those means; up to $150 subsidy for Associates who commute to work via public transportation and up to $102 for parking at transit stations
- Health club subsidies
- Health risk assessments
- Financial incentives for walking milestones
- Weight Watchers @ Work
- Smoking cessation program
- Healthy Pregnancy Program through United HealthCare
- Free in-office massage therapy
- Assistance with adoption expenses of up to $5000
- New baby/adoption gift program
- New Parent leave and annual allowance of Parental leave to care for children or parents
- Employee Assistance Program that provides free, confidential and professional services to help employees and their immediate family members resolve all types of personal problems and/or special challenges such as financial stress, parenting problems, substance abuse, tobacco use, etc.

- Numerous discount programs, e.g. ZipCar, movie tickets, gym memberships
- Calvert also continues to sponsor programs and perks that contribute to the well-being of its Associates and their families, such as:
  - Annual Kid's Day
  - Annual Health & Fitness Fair
  - Annual flu shots
  - Annual De-Stress Week

Calvert also has a Wellness Committee that works to better the health and well-being of our Associates on a regular basis. The cross-functional team collaborates with our parent company to develop and implement wellness programs that are beneficial to Associates, such as smoking cessation, walking programs, and weight loss programs. Calvert also encourages Associates to be fit by offering a health subsidy to exercise at a gym or fitness center. Free Health Risk Assessments (HRAs) are offered to Associates every one-to-three years, depending upon age. In addition, Calvert offers a pedometer-based walking program that allows Associates to earn prizes as they reach milestones.

Training and Education

The available allowance of our tuition reimbursement program is $5,250 for full-time Associates (pro-rated for part-time Associates) per calendar year. In addition, Calvert supports and covers the costs for the certifications, designations, and licenses that Associates need to perform their jobs effectively. Some training is required, such as harassment prevention bi-annually, and Associates are encouraged to look continuously for opportunities to grow and develop. Calvert does not track hours of employee training.

HEALTH, SAFETY, AND SECURITY IN THE WORKPLACE

Calvert cares about all its Associates and seeks to maintain a safe and secure work environment.

Building Security

Building security is provided through our landlord. Emergency preparedness and evacuation procedures are conducted regularly to make sure our Associates know what to do and where to go in the event of an emergency.

The building complex in which the Calvert offices are located has recently implemented enhanced security and a guard is posted in the building lobby. The complex has made several improvements over the past 18 months, including outfitting all lobbies, entrances and egress points with security camera coverage and enhancing security. Cameras can be monitored by security and remotely by property management. Lighting, signage and directions throughout the garage have also been upgraded. Calvert's suites remain locked 24/7, secured by an access card system and all Calvert suite entrances are always monitored by a CCTV (Closed Circuit Television System).

Safety

Calvert has implemented Harassment and Workplace Violence Prevention policies. Our written harassment prevention policy is intended to ensure that relationships among Associates in the workplace are businesslike and free of bias, prejudice, and harassment. The workplace violence prevention policy is intended to assure the safety and security of our Associates and all those who work in or use our facilities. All Calvert employees must take harassment training every two years, while new employees undergo training shortly after joining the company.

Our Safety and Security Task Force assists with office evacuation in the event of a fire or other emergency need. The Manager, Office Services, who works with Calvert's Human Resources Department to address health and safety concerns as they arise, chairs the committee. In the event that there is a major disaster and our offices are closed, each department has an assigned Safety Monitor who will contact Associates either by phone or e-mail. Calvert Associates may also be notified of disasters via our automated Emergency Notification System. This notification is also used to communicate closings during inclement weather and other incidents involving safety, security and building incidents. Calvert has a comprehensive Business Continuity Plan in place, which includes a remote facility where Calvert would be able to continue business operations in the event of a disaster when we would be unable to enter our building for some time. In such a case, only essential personnel would report to our remote facility.

The landlord annually conducts air quality tests and has provided us with the results of these tests. The building is well within the recommendations set by the Environmental Protection Agency for CO_2 (Carbon Dioxide).

Health

Calvert owns three Automated External Defibrillators (AED), one on each floor, as a preventative health measure. AEDs can administer a controlled electric shock to restore normal heart rhythm in the cases of cardiac arrest due to ventricular fibrillation, the chaotic and abnormal pumping of the heart that does not allow it to pump blood effectively, due to a disease or medical complication. The shock is administered through electrodes placed externally on the chest wall over the heart or directly to the heart after it has been opened surgically. Each year, we offer a Cardiopulmonary resusitation (CPR)/AED training course to help ensure that we have several Associates who are able to administer both CPR and use the AEDs.

From 2011 through 2013, we had no reported health or safety incidents, nor did we face any Occupational Safety and Health Administration (OSHA) violations.

Calvert and the Environment

Calvert's environmental impacts come primarily from use in a typical office environment. Since we lease our office space, we do not control decisions about the building's energy and water use. As a result, we are unable to specifically measure our direct and indirect energy consumption or the amount of energy saved due to conservation and improvements. However, within our sphere of control, we have developed programs to reduce our environmental impacts through energy efficiency, commuting alternatives, waste reduction, recycling, and the use of environmentally preferred products.

ORGANIZATIONAL RESPONSIBILITY

Calvert's Manager, Office Services, oversees our environmental program, which is critical to running our offices efficiently. This position reports to the Senior Vice President, Administration, the position with senior authority for environmental performance.

WATER

We continue to address water use and conservation in our direct operations. Operating in an office environment, we typically use water in our kitchens for cleaning and drinking as well as in our restrooms. Our water comes from municipal water through our landlord. Along with most water users in the Washington, D.C. suburbs, the water is sourced directly from the Potomac River Basin after being processed at a nearby water treatment plant. We are fortunate that our water source is not facing any undue water stress. At this time our landlord does not break down the percentage of water that is used or discharged by Calvert. We do not use bottled water for our corporate functions, preferring to use pitchers of water and glassware to reduce our carbon and water footprint. Each of our kitchens is equipped with filtered water, with pitchers and glasses available for meetings with guests. All drinking water is filtered to remove sediment, carbon and heavy metals. We estimate that approximately $1,300 per year is saved by not using bottled water and we are able to reduce our carbon footprint as a result. Our in-house plumbing uses low-flow faucets, toilets and urinals. As an asset management company, we do not have specific supply chain and watershed management initiatives and outcomes to report.

GREENHOUSE GAS EMISSIONS

Calvert has been offsetting our greenhouse gas emissions since 2006 to be "carbon neutral." Our program covers carbon offsets for office emissions. Between 2011 and 2013, our offsets were 720 each year. Calvert also has three dedicated video conferencing rooms, which help reduce the amount of business travel to attend meetings.

ENVIRONMENTAL INDICATORS SUMMARY

	PERFORMANCE AREA	2010	2011	2012	2013
ENERGY USE AND GREENHOUSE GAS EMISSIONS	Employees using public transportation	58	50	53	53
	Renewable energy credits purchased (tons CO_2 equivalent)*	1060.79	720	720	720
WASTE REDUCTION AND RECYCLING	Amount of waste recycled (tons)	34	31	71	39
	Amount of waste recycled (%)	85%	77%	89%	81%
	Computer equipment recycled (number of pieces)	82	135	190	129
	Battery recycling (in pounds)	165	110	220	220
	Furniture recycling—steel (tons)	2.5	58	2	0
	Shareholders receiving electronic mailings	7,999	8,643	9,306	9,513
PURCHASE OF ENVIRONMENTALLY PREFERRED PRODUCTS	Recycled paper product purchases (tons)	70.7	77.87	104.85	75.17
	Non-paper recycled office supplies (% of $ spent)	27.9%	20.8%	19.8%	19.0%
	MWBE of Net Purchases	6.4%	3.8%	3.8%	2.14%
	Total Net Purchases (Office Supplies)	$22,222	$20,727	$27,560	$23,290

*We purchased renewable energy credits to offset all estimated office electricity use in 2011 to 2013. In 2010, we purchased these credits to offset both estimated office electricity and business travel.

COMPUTER ENERGY USE AND EFFICIENCY

Calvert now has 160 virtual servers, which have no footprint at all, across seven physical servers. These virtual servers are the same as virtual workstations, and provide an alternative to traditional personal computers as workstations, with all software running off central application servers. We continue to work on virtualizing those Associates who still use a physical workstation. We have also instituted VMWare View Client to our wholesalers and Associates, who are able to work remotely via IPads thereby eliminating the need to travel with their notebooks. In addition, we continue to have Dell recycle our old computer equipment and parts; environmentally certifying that everything is reused and recycled. In 2011, Calvert recycled 135 pieces of electronic waste (e-waste), 190 pieces in 2012 and 129 pieces in 2013.

WASTE AND OUR RECYCLING PROGRAM

Calvert is committed to buying as many recycled materials as possible, reducing waste, and recycling what we can. Our landlord handles waste disposal, so we are unable to track the non-recyclable waste generated during the reporting period. However, we dispose of waste directly through recycling with various vendors.

Today our recycling program encompasses paper, envelopes, corrugated material, aluminum cans, plastic beverage containers, cell phones, batteries and computer systems, also known as e-waste. Associates may also bring in items from home in these categories for recycling. Our Bethesda office is located in Montgomery County, Maryland, which requires all businesses to recycle certain materials. We are required to complete an annual report detailing the amounts of these mandatory items we have recycled, as well as a number of additional voluntary items. In 2011, Calvert Investments recycled an average of over 31 tons of reusable materials, which, according to information provided by our property management company, is more than 81% of all of the trash produced by the company. According to information provided by the Montgomery County Maryland Department of Public Works and Transportation, Calvert's 2011 mandatory recycling rate was 73.0% and the total recycling rate, including voluntary materials, is 77.3%.

In 2012, Calvert Investments recycled an average of over 71 tons of reusable materials, which, according to information provided by our property management company, is more than 186% of all of the trash produced by the company. (The increase was due to construction waste and records disposal). Also, according to information provided by the Montgomery County Maryland Department of Public Works and Transportation, Calvert's 2012 mandatory recycling rate was 81.5% and the total recycling rate, including voluntary materials is 88.8%.

In 2013, Calvert Investments recycled an average of over 39 tons of reusable materials, which, according to information provided by our property management company, is more than 102% of all of the trash produced by the company. Calvert's mandatory recycling rate in 2013 was 76.2% and the total recycling rate including voluntary materials is 80.6%, which far exceeds the countywide goal of 50% for all three years.

Environmental Compliance

Calvert had not faced any fines or non-monetary sanctions for non-compliance with environmental laws and regulations nor had any spills during this reporting period.

Coffee Composting

Calvert has also established a coffee grounds and coffee filter composting program. Compost buckets are located at each coffee station, collected by our coffee vendor and are used to amend soil for improved water retention and wildlife restoration at Rover's Content Farm in the Patuxent River watershed region.

Environmental Certifications

Calvert has been certified by Montgomery County, Maryland as a Green Business through a program that recognizes voluntary efforts to protect, preserve and improve the environment. Certified companies must demonstrate a commitment to environmental stewardship, conservation of water, carbon footprint reduction, waste reduction and recycling.

Calvert also participates in the Maryland Green registry, which requires businesses to share information on at least five environmental practices and provide at least one quantitative result from these practices.

CALVERT'S RECYCLING BREAKDOWNS*

	2010	2011	2012	2013	SINCE INCEPTION IN 1990
Pounds	68,283	162,292	226,668	78,738	1,817,677
Tons	34.1	81.2	150.1	39.4	908.8
Trees	580.4	1,379.5	2,551.9	669.3	15,450.3
Pounds of Air Pollution	2,049.0	4,868.8	9,006.6	2,362.1	54,530.3
Gallons of Water	238,991.0	568,022.0	1,050,773.5	275,583.0	6,361,869.5
KW Hours of Electricity	139,980.2	332,698.6	615,453.1	161,412.9	3,726,237.9
Cubic Yards Landfill	112.7	267.8	495.4	129.9	2,999.2

*The Environmental Protection Agency formula is based on each ton of paper and aluminum recycled, saving 17 trees, 7,000 gallons of water, 4,100 kWh of electricity, 3.3 cu.yds of landfill space, and 60 lbs. of pollution. The sources for our original information are no longer available on EPA's website although other sources still attribute these numbers to EPA.

Waste Reduction

Calvert encourages Associates to reduce the amount of waste generated in the office. We provide ceramic coffee mugs and plates, along with drinking cups to Associates and visitors, effectively eliminating our use of disposable paper cups and plates.

Paper reports and promotional materials are the primary method through which we distribute information about our products; however, this has diminished as customers choose to seek information electronically through our website. Automation of Calvert's operations has greatly reduced the amount of paper-based record keeping we do, resulting in a decreased use of paper. We continue to offer alternatives for Calvert shareholders to opt out of receiving paper statements, prospectuses, annual reports, and semi-annual reports in order to decrease the amount of paper that is mailed. (Approximately 16% of our shareholders have chosen to take this step, thus getting notifications faster and reducing the amount of paper we mail.) We will continue to encourage investors to consider this option.

RENOVATIONS

During construction projects, we work with our architects, designers and contractors to find ways to use existing space and minimize demolition, as well as reuse as much of the existing materials as possible (including carpet, tile, ceiling tile, cabinets, appliances). When items cannot be reused or donated, our recycling vendor will take good quality steel and other metal furnishings and remove these items from the waste stream. In 2012, we recycled over 55,000 pounds of construction debris during our renovations.

During renovations in 2011 and 2012, the restrooms on each floor of the building were redone to include water use reductions of faucets, toilets and urinals through new plumbing fixtures, improved lighting and energy performance. The bathrooms all became ADA (Americans with Disabilities Act) compliant. Calvert worked closely with our architect and general contractor to ensure during the renovation process that all recyclable items, including carpet, drywall, metal studs, ceiling tiles, copper cables and piping, and any other recyclable items are used and that all non-recyclable items are disposed of responsibly.

The property manager is in the process of retrofitting all fluorescent light bulbs in 2014, along with any incandescent bulbs, in all the buildings, with LED lights. These lights will provide the same light levels and color spectrum and offer greater energy efficiency, with a project life of about 7 years. Ultimately, carbon dioxide will be reduced over the next seven years by 14,100,007 pounds and sulfur dioxide by 117, 365 pounds. These changes are equivalent to planting 239,653 pine trees and removing 3,074 cars from the road for 25 years.

LEED CERTIFICATION

When we last extended our lease in 2010, we asked our property management company to re-outfit our space and make certain green improvements to meet the LEED Existing Buildings: Operations & Maintenance (EBOM) standard for the U.S. Green Building Council's Leadership in Energy and Environmental Design for our building, which addresses greening operations and maintenance practices of existing buildings. As part of that process, the property management company established a dedicated area for recycling in the parking garage of our building, provided two electric vehicle charging stations and added a fully secure bike storage room with locker facilities. It also upgraded the light bulbs in our space to high efficiency 28 wall T-8 fluorescent tubes, replaced high-intensity fixtures with LED fixtures, installed photocells or motion sensors in offices and conference rooms and energy efficient fixtures in all stairwells in the building. Thus, our building earned a LEED EB Gold Rating (as of August 2014) and will continue to keep its Energy Star certification, which it had previously earned.

BUYING ENVIRONMENTALLY PREFERRED MATERIALS

Buying recycled products reduces the demand for natural resources and also helps promote recycling. During the reporting period, we continued to reduce the amount of paper and printed materials purchased, all of which contained at least 30% post-consumer waste and some of which contained as much as 100% recycled content in the past few years. For example, Calvert purchased 155,746 pounds or 78 tons of recycled paper products in 2011, compared to a high of 209,709 pounds or 105 tons in 2012 — and back down to 150,341 pounds or 75 tons in 2013. Our non-paper recycled office supplies as a percentage of dollars spent have been decreasing. They were 21% in 2011, 20% in 2012 and 19% in 2013.

Calvert's office supplier, Staples, uses an internet-based online ordering system that clearly marks items that are minority and women business owners (MWBE), recyclable, and manufactured using recycled products. The system makes it easier for Calvert Associates to order green and recycled alternatives such as recycled notepads, post-it notes, pencils, etc. Our supplier has a published commitment to diversity, community, ethics and environmental activities.

Supply Chain Issues

Although very few of our purchases are related to items made in China, in the event they are, we encourage the company we are purchasing from to have a supplier Code of Conduct and Supplier Standards as a way to address human rights concerns. All of our printed marketing materials, prospectuses, and shareholder reports are printed using recycled paper and soy inks, which are safer to handle over petroleum-based inks, biodegradable and contain no volatile organic compounds.

WORKING WITH LOCAL SUPPLIERS

Although we do not have an official policy regarding local suppliers, we support nearby businesses such as printers and copy shops whenever possible. We also track our purchases from MWBE, which averaged 3.8% in 2011 and 2012, but decreased to 2.14% in 2013.

Although we do not require minimum environmental standards in contracts with suppliers and other business partners, as noted above, we do communicate our environmental preferences to suppliers and other business partners. For example, when we undergo renovations, we ask our contractors to recycle and address our environmental impacts in their work. At this point, we have not yet begun to incorporate fully the United Nations Global Compact (UNGC) Principles in our value or supply chain. As a small company making limited purchases, these issues have not typically been a high-impact area for us, however, we recognize that they do impact our footprint.

Our purchasing practices generally include referring our major new suppliers to the Calvert Sustainability Research Department for review of their environmental and employment practices as well as community impact. The majority of the suppliers were reviewed for their human rights practices, which would include child labor and forced or compulsory labor, and no problems were found. To date, we have not conducted any human rights reviews and/or impact assessments on our own operations due to our small size and U.S.-based operations; however, we have engaged on this issue with other companies and more detail can be found above in the "Calvert in the World" section. From 2011 to 2013, we have not had any reported grievances filed related to human rights.

Calvert in the Community

Calvert supports our local community through volunteer service and financial contributions. We typically focus on high-impact issues such as children, education, women, diversity, poverty, safety, environment, and the arts. Our donations are aligned with our volunteer efforts and we support organizations where employees and management team members serve on Boards or have affiliations, which complement the criteria used in our sustainability research.

CORPORATE PHILANTHROPY

Calvert's community outreach is a three-prong approach: 1) Associate volunteerism, 2) matching contributions, and 3) philanthropy.

Associate Volunteerism

Calvert allows Associates to volunteer up to eight hours each month in the community, with Associates working with their managers to ensure for adequate department coverage. To further promote and encourage volunteerism, Calvert awards a Volunteer Service Award to Associates who meet specific thresholds in community volunteerism. The award consists of a contribution of $500 or $1,000 to the non-profit of the Associate's choice. Calvert's volunteer hours were 1,629 in 2011, 1,178 in 2012 and 1,003 in 2013. Employees have participated in a number of community projects and causes including Manna Food Center's Smart Sacks Program, A Wider Circle, DC Central Kitchen, and Food and Friends, which prepares and delivers specialized meals and groceries to those living with HIV/AIDS.

Matching Contributions

Calvert matches gifts made by Associates to tax-exempt organizations of up to $500 per year. In 2013, Calvert contributed $8,054.00 in matching contributions to tax-exempt organizations of importance to our Associates, $10,278 in 2012 and $8,878 in 2011.

Philanthropy

In 2013, Calvert established a Philanthropic Committee whose mission it is to help better leverage our charitable donations so as to have a bigger impact in the community and to support the Calvert brand. This Committee is comprised of five senior leaders and makes recommendations for charitable contributions against specific criteria, which include:

- Non-profits that have a local impact in the Washington, D.C. metro area or to a community where Calvert has a presence
- Non-profits that align with environmental, social, or governance issue areas

CORPORATE PHILANTHROPY

	2010	2011	2012	2013
Corporate Giving	$306,610	$243,897	$104,595	$231,490
Matching Donations	$18,114	$8,878	$10,278	$8,055
Total	**$324,724**	**$252,775**	**$114,873**	**$239,545**
Volunteer Hours	1,539	1,629	1,178	1,003

- Non-profits where Calvert senior leaders serve as board members on Calvert's behalf
- Non-profits that are sponsored by an Associate are given preference over unsolicited charitable requests from organizations with no connection to or involvement with Calvert

Calvert's corporate giving totaled $243,897 in 2011, $104,595 in 2012 and $231,490 in 2013. City Year, Washington Area Women's Foundation, and Miriam's Kitchen are just some of the organizations Calvert has supported.

APPENDIX 1—EXTERNAL RECOGNITION

Calvert has received a number of awards for our sustainability efforts, some of which are listed below.

2011

- **Alliance for Workplace Excellence** — "Great Place to Work" Seal of Approval
- **Alliance for Workplace Excellence** — Health and Wellness Trailblazer Award
- **Alliance for Workplace Excellence** — Eco Leadership Award

2012

- **Alliance for Workplace Excellence** — "Great Place to Work" Seal of Approval
- **Alliance for Workplace Excellence** — Health and Wellness Trailblazer Award
- **Alliance for Workplace Excellence** — Eco Leadership Award
- **Kasina, LLC** — Top Five Social Media Leaders of 2012

2013

- **Alliance for Workplace Excellence** — Workplace Excellence Seal of Approval Award
- **Alliance for Workplace Excellence** — Health and Wellness Seal of Approval Award
- **Alliance for Workplace Excellence** — Eco Leadership Award
- **Alliance for Workplace Excellence** — Diversity Champion Award
- **Lipper Fund Award** — Calvert Short Duration Income Fund, Class A

APPENDIX 2—CALVERT FUND LIST

November 30, 2014

U.S. EQUITY FUNDS
Calvert Social Index Fund
Calvert Equity Portfolio
Calvert Large Cap Core Portfolio
Calvert Large Cap Value Fund
Calvert Equity Income Fund
Calvert Capital Accumulation Fund
Calvert Small Cap Fund
INTERNATIONAL EQUITY FUNDS
Calvert International Equity Fund
Calvert International Opportunities Fund
Calvert Global Alternative Energy Fund
Calvert Global Water Fund
Calvert Emerging Markets Equity Fund

BALANCED AND ASSET ALLOCATION FUNDS
Calvert Conservative Allocation Fund
Calvert Balanced Portfolio
Calvert Moderate Allocation Fund
Calvert Aggressive Allocation Fund
BOND FUNDS
Calvert High Yield Bond Fund
Calvert Long-Term Income Fund
Calvert Income Fund
Calvert Bond Portfolio
Calvert Green Bond Fund
Calvert Tax-Free Bond Fund
Calvert Government Fund
Calvert Short Duration Income Fund
Calvert Ultra-Short Income Fund
Calvert Unconstrained Bond Fund

APPENDIX 3—UN GLOBAL COMPACT PRINCIPLES

	UN GLOBAL COMPACT PRINCIPLES	CORRESPONDING CALVERT REPORT SECTIONS
HUMAN RIGHTS	PRINCIPLE 1. Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	p.4–5, 12–13, 26–30, 36–39, 42–44, 48
	PRINCIPLE 2. Make sure that they are not complicit in human rights abuses.	p.4–5, 12–13, 26–30, 36–39, 42–44, 48
LABOUR	PRINCIPLE 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	p.4–5, 12–13, 26–30, 36–39, 42–44, 48
	PRINCIPLE 4. The elimination of all forms of forced and compulsory labour.	p.12–13, 26–30, 36–39, 42–44, 48
	PRINCIPLE 5. The effective abolition of child labour.	p.12–13, 26–30, 36–39, 42–44, 48
	PRINCIPLE 6. Eliminate discrimination in respect of employment and occupation.	p.4–5, 12–13, 26–30, 30–31, 36–39, 42–44, 45–48
ENVIRONMENT	PRINCIPLE 7. Businesses should support a precautionary approach to environmental challenges.	p.3–5, 6–8, 12–13, 26–29, 31–36, 42–44, 52–56
	PRINCIPLE 8. Undertake initiatives to promote greater environmental responsibility.	p.5, 6–8, 12–13, 26–29, 31–36, 42–44, 52–56
	PRINCIPLE 9. Encourage the development and diffusion of environmentally friendly technologies.	p.4–5, 12–13, 26–30, 31–36, 42–44, 52–56
ANTICORRUPTION	PRINCIPLE 10. Businesses should work against all forms of corruption, including extortion and bribery.	p.4–5, 6–8, 12–13, 20–25, 26–29, 39–41

APPENDIX 4—UNGC CEO WATER MANDATE ELEMENTS

UN GLOBAL COMPACT CEO WATER MANDATE ELEMENTS	CORRESPONDING CALVERT REPORT SECTIONS
Direct Operations	
Investment Criteria	p.11–12, 12–13
Education	p.15–16
Shareholder Advocacy on Water	p.26–29, 34–36
Water Risk and Human Right to Water	p.34–36
Sustainability	p.34–36, 52, 54, 55
Climate Change Risk	p.27, 34–36
Supply Chain and Watershed Management	p.35
Collective Action	p.34–36, 42–44
Public Policy	p.34
Community Engagement	p.36
Transparency	p.26–29, 34–36, 52

APPENDIX 5—GRI INDICATORS

APPLICATION LEVEL

CALVERT INVESTMENTS

DEC 2014

SERVICE

STANDARD DISCLOSURES PART 1: Profile Disclosures

Indicators Fully Disclosed in Black, Partially Disclosed in Blue

1. STRATEGY AND ANALYSIS		
PROFILE DISCLOSURE	LOCATION OF DISCLOSURE	REASON FOR OMISSION
1.1	p.1-2 CEO Statement, 4-5 risks and opportunities, 6-7 outlook and goals	Does not exist. We do not report on any major failures during the reporting period because we had none related to the focus and scope of the report.
1.2	p.1-2, 3-5, 6-8 We do summarize targets for the next reporting period, along with mid-term objectives and goals, related to key risks and opportunities but have chosen to do so in narrative rather than a table.	

2. ORGANIZATIONAL PROFILE		
PROFILE DISCLOSURE	LOCATION OF DISCLOSURE	REASON FOR OMISSION
2.1	p.9	
2.2	p.11-12, 60	
2.3	p.20-21	
2.4	p.9	
2.5	p.5	
2.6	p.9-10	
2.7	p.4, 9-10, 17-19	
2.8	p.9	
2.9	p.5	
2.10	p.59	

3. REPORT PARAMETERS		
PROFILE DISCLOSURE	LOCATION OF DISCLOSURE	REASON FOR OMISSION
3.1	p.5	
3.2	p.5	
3.3	p.5	
3.4	p.5	
3.5	p.5 report content, 7-8 materiality matrix and discussion, 9-10 company information and structure, 17-19 stakeholder information	
3.6	p.5 Calvert has only business-owned subsidiaries. Because Calvert leases its office space, we are limited in our ability to obtain and disclose data pertaining to our footprint.	
3.7	p.5 This report covers all operations of Calvert Investments, Inc.	
3.8	p.20-21	Does not exist. Calvert does not report on any joint ventures, leased facilities or other similar entities as prescribed by the GRI Guidelines as we are not involved in any such activities. We do rent our corporate headquarters and that is discussed under the relevant indictors.
3.9	p.53, 54 Calvert provided explanations for assumptions and techniques in the tables where the numbers were derived from anything beyond basic math.	
3.10	p.15	
3.11	p.5, 15	
3.12	p.63-71	
3.13	p.5	

4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT		
PROFILE DISCLOSURE	LOCATION OF DISCLOSURE	REASON FOR OMISSION
4.1	p.20-23	
4.2	p. 20	
4.3	p.20-23	
4.4	p.20-21, 48	Does not exist. We do not fully report on mechanisms for shareowners since the disclosure as prescribed by GRI is not fully relevant to our business. Calvert Investments, Inc. is privately held and has no public shareholders nor do we report on employee working relationships with formal representation bodies such as organization level "work councils" as it is not material and we do not have these functions within our company.

4.5	p.46	Proprietary information. We do not fully report on this disclosure item as we consider our executive compensation to be proprietary.
4.6	p.21-22	
4.7	p.20-23	
4.8	p.9, 24	
4.9	p.20-22	
4.10	p.20-22	
4.11	p. 31-34	Does not exist. We do not report fully on this disclosure item as it is not material to our business, however, we may engage with a company on an issue where there is a suspected risk of harm to the public or the environment but it has not yet been conclusively proven. In such an instance, we may encourage a company to change or cease its involvement around that issue.
4.12	p.42-44	
4.13	p.26, 42-44	
4.14	p.17-19	
4.15	p.17-19	
4.16	p. 5, 17-19, 20	
4.17	p.3-4 stakeholder engagement, 5 the report, 16 education/tools for advisors and investors, 17-19 stakeholder engagement, 27-28 examples of reports for investors, companies and/or the general public	

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

Indicators Fully Disclosed in Black, Partially Disclosed in Blue

G3.1 FSSS DMAS	LOCATION OF DISCLOSURE	FURTHER COMMENTS
DMA PS	**DISCLOSURE ON MANAGEMENT APPROACH PS**	
FS1	http://www.calvert.com/sri-innovative-approach.html	
FS2	http://www.calvert.com/sri-innovative-approach.html p.11 product information, 12-14 fund changes/additions, 26 shareholder advocacy, 29-30 shareholder advocacy, shareholder resolutions, proxy voting and engagement	
FS3	p. 25, 28, 55	We do not report fully on this disclosure item as we are limited in what we can disclose as we do not have clients where we monitor agreements, however, we have engaged with suppliers around this issue and we do engage and hold companies to sustainable and responsible commitments when we withdraw shareholder resolutions.
FS4	p.4, 23-24	
FS5	p.26-29 shareholder engagement, 30-31 Calvert Womens' Principles and diversity, 31-34 environment and climate change, 34-36 water sustainability, 36-39 human rights, labor rights, and Indigenous Peoples' rights, 39-41 governance and business ethics	
Audits	p. 22-23	
Active Ownership	p.26-29 Shareholder engagement, 30-31 Calvert Womens' Principles and diversity, 31-34 environment and climate change, 34-36 water sustainability, 36-39 human rights, labor rights, and Indigenous Peoples' rights, 39-41 governance and business ethics	
DMA EC	**DISCLOSURE ON MANAGEMENT APPROACH EC**	
Economic PerformanceCOMM	p.1, 6, 9-10	
Market presence	p.10-12	
Indirect economic impacts	p.10, 14-15	
DMA EN	**DISCLOSURE ON MANAGEMENT APPROACH EN**	
Materials	p.52-54	
Energy	p.52-53	We do not report fully on this disclosure item, as we are limited in what we can disclosure since we lease our space and are unable to specifically measure our energy consumption.

Water	p.52	We do not report fully on this disclosure item, as we are limited in what we can disclose since we lease our space and are unable to specifically measure our water consumption.
Biodiversity		We do not report on this disclosure item due to its insignificant impact on our business.
Emissions, effluents and waste	p.53-54	We do not report fully on this disclosure item as it is not material to our business due to its insignificant impact.
Products and services	p.11-14	
Compliance	p.23-25	
Transport		We do not report on this disclosure item due to its insignificant impact on our business.
Overall	p.17-19	
DMA LA	**DISCLOSURE ON MANAGEMENT APPROACH LA**	
Employment	p.4, 45-48	
Labor/management relations	p.4, 48-49	
Occupational health and safetyCOMM	p.4, 50-51	
Training and education	p.4, 50	
Diversity and equal opportunity	p.4, 45-47	
Equal remuneration for women and men		We do not report on this disclosure item due to its being proprietary to our business.
DMA HR	**DISCLOSURE ON MANAGEMENT APPROACH HR**	
Investment and procurement practices	p.52, 56 http://www.calvert.com/sri-innovative-approach.html	
Non-discrimination	p. 4, 45, 48, 56	
Freedom of association and collective bargaining	p.4, 45, 48	
Child labor	p.4, 45, 48, 56	
Prevention of forced and compulsory labor	p.4, 45, 48, 56	
Security practices	p.50-51	

Indigenous rights	p.39 http://www.calvert.com/sri-innovative-approach.html	
Assessment	p.36-39, 48	
Remediation	p.48	We do not report fully on this disclosure item as it is not significant to our business.
DMA SO	**DISCLOSURE ON MANAGEMENT APPROACH SO**	
Local communities	p.5, 57-58	
Corruption	p.23-25	
Public policy	p.4 management, 26 shareholder advocacy, 30-31 public policy initiatives and the Calvert Womens' Principles and diversity, 31-34 environment and climate change, 34-36 water sustainability, 36-39 human rights, labor rights, and Indigenous Peoples' rights, 39-41 governance and business ethics	
Anti-competitive behavior	p. 23-25	
Compliance	p.23-25	
DMA PR	**DISCLOSURE ON MANAGEMENT APPROACH PR**	
Customer health and safety	p.31-34	We do not report fully on this disclosure item as it is not significant to our business but we address it through our advocacy.
Product and service labelling	p.11, 15	
FS15 Policies for the fair design and sale of financial products and services.	p.11, 25	
Marketing communications	p.15, 25	
Customer privacy	p.25	
Compliance	p.23-25	

STANDARD DISCLOSURES PART III: Performance Indicators

Indicators Fully Disclosed in Black, Partially Disclosed in Blue

PRODUCT AND SERVICE IMPACT	
INDICATOR	LOCATION OF DISCLOSURE
Product portfolio	
FS6	p.10-11
FS8	p.10-11
Active ownership	
FS10	p. 26-29
FS11	p.10-11
FS12	p. 29-30 http://www.calvert.com/sri-engagement.html#proxy

ECONOMIC	
INDICATOR	LOCATION OF DISCLOSURE
Economic performance	
EC1	p.10-11 Calvert has chosen not to fully disclose the economic value generated and distributed such as revenues and employee compensation because we are a private company. We consider this information to be proprietary and disclosing it could put us at a competitive disadvantange.
EC2	p.31-34 environment and climate change, 34-36 water sustainability, 52-53 environmental impacts. Our own footprint is relatively small and the risks and opportunities are minor. However, since this is a major global issue, we address it through our advocacy and products.
EC4	N/A Calvert does not receive any financial assistance from the government.
Market presence	
EC6	p.56

ENVIRONMENTAL	
INDICATOR	LOCATION OF DISCLOSURE
Materials	
EN1	p.53-56
Energy	
EN3	p.52-53
EN4	p.52
EN5	p.53, 55
EN7	p.53, 55
Water	
EN8	p.52
EN9	p.52
EN10	p.52

Emissions, effluents and waste	
EN16	p.52-53 These calculations were based on internal estimates of greenhouse gas emissions used by all employees on an annual basis.
EN18	p.52-53
EN22	p.53-54
EN23	Calvert did not have any spills during this reporting period.
Products and services	
EN26	p.31-36 environment and climate change advocacy, 52-56 Calvert's direct environment impacts.
Compliance	
EN28	p.54
Transport	
SOCIAL: LABOR PRACTICES AND DECENT WORK	
INDICATOR	**LOCATION OF DISCLOSURE**
Employment	
LA1	p. 47
LA2	p.45, 48
LA3	p.46-48,49-50
Labor/management relations	
LA4	p.48
LA5	p.48
Occupational health and safety	
LA7	p.51
LA8	p.49-50 Calvert does not have any workers involved in high risk occupational activities with a high incidence or high risk of specific diseases.
Training and education	
LA10	p.50
LA11	p.50
LA12	p.48
Diversity and equal opportunity	
LA13	p.20-23 Calvert's governance structure, 45-48 Calvert Associate information
SOCIAL: HUMAN RIGHTS	
INDICATOR	**LOCATION OF DISCLOSURE**
Investment and procurement practices	
HR3	p.4, 50, 56

Child labor	
HR6	p.36, 38-39, 48, 56
Prevention of forced and compulsory labor	
HR7	p.36, 38-39, 48, 56
SOCIAL: SOCIETY	
INDICATOR	LOCATION OF DISCLOSURE
Local communities	
FS14	p. 14-15 More details on the impacts of our High Social Impact Investments Program's investments in Calvert Foundation initiatives can be found at http://www.calvertfoundation.org/
Corruption	
SO4	p.25
Public policy	
SO5	p. 26 shareholder advocacy, 30-31 Calvert Women's Principles and diversity, 31-34 environment and climate change, 34-36 water sustainability, 36-39 human rights, labor rights, and Indigenous Peoples' rights, 39-41 governance and business ethics
SO6	p.25
Anti-competitive behavior	
SO7	p.25
Compliance	
SO8	p.25
SOCIAL: PRODUCT RESPONSIBILITY	
INDICATOR	LOCATION OF DISCLOSURE
Customer health and safety	
PR2	p.25
Product and service labelling	
PR4	p.25
Marketing communications	
PR6	p. 25 Calvert does not sell any products that are banned in certain markets or are controversial.
Customer privacy	
PR8	p.25
Compliance	
PR9	p.25

Calvert INVESTMENTS

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