

SAGE:

Sustainability Achieved Through Greater Engagement

Calvert SAGE Strategies:

emphasize strategic engagement to advance environmental, social, and governance (ESG) performance on the part of companies that may not meet all of Calvert's Signature* ESG criteria today but have the potential to improve.

Newmont

This company is a Calvert SAGE™ Strategy holding in the Calvert Large Cap Value Fund and is not eligible for investment in the Calvert Signature™ Funds.

Newmont has responded to significant environmental, social, and governance (ESG) challenges in some very demanding operating environments. The company has implemented a strong ESG management system and leads its peers in reporting payments to host governments. In fact, Newmont's voluntary payment reporting and public support of the Extractive Industries Transparency Initiative (EITI)** is an example for its peers. However, environmental and community challenges at Newmont's Ghana, Indonesia, Peru, and U.S. mines indicate problems with consistent implementation of its policies. The company should clarify its policies regarding operating in sensitive environmental areas, such as Ghana's Ajenua Bepo Forest Reserve, and ban both submarine and riverine tailings disposal. Community-managed water quality monitoring systems also should be expanded and adapted to all operations where local communities rely on agriculture and other water-intensive livelihoods. The company should anticipate changes in the U.S. regulatory environment by participating in the development of and supporting reform of the U.S. General Mining Law and publicly supporting the U.S. revenue transparency legislation. In 2007, the Newmont board supported a shareholder resolution to undertake an assessment of community relations at its mines. In March 2009, the findings of this review were released. The company should implement the recommendation of this review in a transparent manner that incorporates community input into the action plans developed at each mine and features a timetable for implementation, benchmarks, and indicators in order for all stakeholders and shareholders to assess Newmont's progress.

NEWMONT ADVOCACY OBJECTIVES

- Implement operational changes recommended by shareholder-requested community relations review and report on outcomes annually.
- Reevaluate system of social and conflict assessment tools with an eye toward resolving the root causes of community concerns in Ghana, Indonesia, Peru, and the United States regarding sacred/protected sites, resettlement, water management, reclamation/bonding, compensation, and community consent.
- Apply operational lessons as appropriate from Voluntary Principles on Security and Human Rights (VPS)*** implementation with security staff in Peru, Indonesia, and Ghana.
- Develop a company-wide greenhouse gas (GHG) emission reduction plan with targets and report on program annually.
- Play a constructive role in climate change public policy and leverage any current carbon mitigation and renewable energy strategies.
- Deploy a company-wide water quality monitoring system that centers on communities, presents reliable data, and provides an agenda for action to which the company can be held accountable.
- Engage in the development of legislative reform of the General Mining Law that addresses shortcomings in reclamation bonding, protected areas provisions, and royalty rates, among others areas.

*Calvert's Signature ESG criteria examine corporate performance across seven broad areas of concern: governance and ethics, environment, workplace, product safety and impact, human rights, Indigenous Peoples' rights, and community relations. For more information, please visit <http://www.calvert.com/sri-signature-criteria.html>.

**The EITI is a global framework for promoting oil, gas, and mining revenue transparency for governments and companies.

***The Voluntary Principles are global human rights standards for the oil, gas, and mining sectors and the first operational standards for any sector addressing corporate responsibility in zones of conflict.

- Support the proposed U.S. revenue transparency legislation publicly.

ENGAGEMENT TOOLS APPLIED

- Direct dialogue with Newmont executive management
- Possible shareholder resolutions
- Sign-on letters on specific objectives

RECENT ENGAGEMENT

- On March 19, Calvert had a conference call with Newmont's Vice President of Environment and Social Responsibility (ESR) and the Manager of ESR, regarding the Calvert Large Cap Value Fund and SAGE Strategy engagement. After discussing the SAGE advocacy objectives, the parties agreed to schedule subsequent meetings for the coming month focusing on human rights, environment, and transparency issues.
- On August 28, Calvert met with Newmont's Vice President of Corporate Social Responsibility by phone and the Manager of ESR in person. The meeting focused on the SAGE advocacy objectives regarding Newmont's Community Relationships Review (CRR), the VPs, extractive industries revenue transparency, water management policy, and the company's GHG emissions reduction plans. During the discussion, Newmont detailed its public reporting plans for the CRR and expressed its support for the U.S. revenue transparency legislation. The group decided to meet again in Q4 2009 to carry on discussions, especially those relevant to the CRR, the VPs, water quality management, and relevant pending legislation.

STATUS AND NEXT STEPS

- Calvert and Newmont have completed an initial discussion regarding SAGE engagement and a subsequent meeting focused on priority advocacy objectives. The group will take up the priority advocacy objectives during an in-person meeting during Q4 2009.

As of 7/31/2009, securities of Newmont represented 1.16% of the Calvert Large Cap Value Fund.

Investment in mutual funds involves risk, including possible loss of principal invested. You could lose money on your investment in the Fund, or the Fund could underperform, because of the following risks: a) the stock market may decline in value, b) the individual stocks in the Fund may not perform as well as expected, and/or c) the Fund's portfolio management practices may not work to achieve their desired result.

The market may not recognize a security's intrinsic value for a long time, and a stock judged to be undervalued by the Fund's Advisor may actually be appropriately priced.

Large cap companies may be unable to respond quickly to new competitive challenges such as changes in technology, and also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

*For more information on any Calvert Fund, please contact your financial advisor, call Calvert at **800.368.2748** or visit www.calvert.com for a free prospectus. An institutional investor should call Calvert at **800.327.2109**. An investor should consider the investment objectives, risks, charges and expenses of an investment carefully before investing. The prospectus contains this and other information. Read it carefully before you invest or send money.*

Calvert funds are available at NAV for RIAs and Wrap Programs. Not all funds available at all firms.

Calvert mutual funds are underwritten and distributed by Calvert Distributors, Inc., member FINRA, subsidiary of Calvert Group, Ltd., 4550 Montgomery Avenue, Suite 1000N, Bethesda, MD 20814 TL10051-200908

A **UNIFI** Company.