INVESTMENT PROCESS:

Calvert Short Duration Income Fund (CSDAX), Calvert Income Fund (CFICX), Calvert Long-Term Income Fund (CLDAX)

Active, Relative-Value Approaches for Maximizing Total Return

OVERVIEW

The portfolio managers of these taxable bond funds pursue income and price appreciation (total return) potential through investment in a range of fixed-income securities. Calvert Investment Management, Inc. applies the same relative-value investment strategy in managing all three funds; however, they differ in their time horizons and benchmarks.

**Calvert Short Duration Income Fund** may invest in securities with durations¹ from zero to 10 years, but its average duration is typically one to three years. Its benchmark is the Barclays Capital 1-5 Year U.S. Credit Index.

**Calvert Income Fund** may hold securities ranging in maturity from cash to 30 years, but it generally has an average duration between three-and-a-half and six years. Its benchmark is the Barclays Capital U.S. Credit Index.

**Calvert Long-Term Income Fund** typically holds securities across the yield curve and maintains a dollar-weighted average portfolio maturity of 10 years or more. Its benchmark is the Barclays Capital Long U.S. Credit Index.

**Calvert Investment Management, Inc.**

- Has managed fixed-income portfolios since 1976
- Features a team of more than 20 in-house fixed-income professionals

INVESTMENT APPROACH

The management team uses a relative-value strategy, an active trading approach, and in-depth credit and sector analysis to identify income and return opportunities for the Funds. Typically, at least 65% of each Fund’s net assets will be invested in investment grade, U.S. dollar-denominated debt securities. Each Fund may also invest up to 35% of its assets in high-yield (“junk”) bonds.

GOAL

The management team seeks to maximize each Fund’s income, to the extent consistent with preservation of capital, through investment in bonds and other income-producing securities.

INVESTMENT PROCESS

The management team applies top-down, fundamental analysis—combined with rigorous, bottom-up security selection—to identify sectors and issuers with the best total return potential. In addition, an allocation to non-index sectors, markets, and issuers is employed in an effort to increase diversification and enhance the potential for higher returns. Initially, the portfolio managers establish broad duration and yield curve strategies.

continued >>>

INVESTMENT PROCESS:
Calvert Short Duration Income Fund (CSDAX), Calvert Income Fund (CFICX), Calvert Long-Term Income Fund (CLDAX) (page 2)

PORTFOLIO CONSTRUCTION OVERVIEW

Overall, their active, relative-value investment process emphasizes:

**Sector selection.** The portfolio team reviews a wide range of taxable bond sectors, including corporate bonds, Treasuries, agency bonds, asset-backed securities, mortgage-backed securities, and taxable municipal debt. They look for sectors that are relatively attractive based on historical yield spread relationships or economic outlook and will rotate out of sectors that are believed to currently have limited upside potential.

**Duration and yield curve strategies.** Active trading strategies are used by the portfolio managers to try to capitalize on changing interest rates and expected changes in the shape of the yield curve, which measures yields across all Treasury debt maturities.

**Credit-quality analysis.** The credit analyst team applies rigorous, fundamental security and valuation analyses to assess a bond’s creditworthiness and to identify securities they believe will enhance overall portfolio performance. At least two analysts typically review the credit risk of each bond.

**Security Selection.** The portfolio managers work closely with the credit analysts to identify bonds with above-average price appreciation potential based on fundamental analysis and price valuation. On an ongoing basis, the Funds’ managers constantly compare the appreciation potential and attractiveness of the bonds in the Funds’ portfolios against those in the marketplace.

SELL DISCIpline

A security may be sold or a position reduced if the risk/reward profile of a security changes, to accommodate changes in sector weightings, or as a result of the Fund’s trading or relative-value strategies.

INVESTMENT RISK

Investment in mutual funds involves risk, including possible loss of principal invested. The Funds are subject to issuer default risk and interest rate risk, the risk that changes in interest rates will adversely affect the value of an investor’s securities. When interest rates rise, the value of fixed-income securities will generally fall. The prices of long-term bonds are more sensitive to changes in interest rates than the prices of short-term bonds. Therefore, in general, long-term bonds have more interest rate risk than short-term bonds.

High-yield, high risk bonds, which are rated below investment grade, can involve a substantial risk of loss because they have a greater risk of issuer default and greater price volatility than investment-grade bonds. In addition, an active trading style can result in higher turnover (exceeding 100%), may translate to higher transaction costs, may increase your tax liability, and may affect Fund performance. The Funds are non-diversified and may be more volatile than a diversified fund.

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 summary prospectus and/or 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 summary prospectus and prospectus contain this and other information. Read them 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 Investment Distributors, Inc., member FINRA and subsidiary of Calvert Investments, Inc. IP10923-201303

Printed using low-VOC inks on New Leaf Reincarnation Matte containing 60% post-consumer waste.