

SUSTAINABILITY INVESTMENT CRITERIA

SIGNATURE:

Calvert's original investment approach comprising two distinct research frameworks: a rigorous review of financial performance, and a thorough assessment of environmental, social, and governance performance.

Calvert Signature® Strategies

Calvert's sustainability research analysts examine corporate performance in seven broad areas of concern for Calvert Signature® Strategies Funds.

GOVERNANCE AND ETHICS

Calvert monitors numerous aspects of corporate governance and business ethics, including disclosure of policies and procedures, board independence and diversity, executive compensation, shareholder accountability, and attention to stakeholder concerns. We seek to avoid investing in companies that have poor governance structures or that have a record of illegal or questionable activities such as securities fraud or insider loans, have weak internal audit controls, or have poor compliance records with respect to bribery and corruption. Calvert seeks to avoid investing in companies whose corporate governance and business practices compromise the interests of shareholders.

Calvert seeks to invest in companies that:

- Align the interests of management and boards with those of shareholders and other stakeholders;
- Maintain diverse, independent boards;
- Mandate board-level oversight of environmental, social, and governance risks;
- Incorporate environmental, social, and governance performance into executive compensation;
- Disclose environmental, social, and governance policies, programs, and performance; and
- Nurture a culture of ethics and compliance.

ENVIRONMENT

We evaluate corporate environmental performance, responsiveness to incidents, and compliance with environmental regulations. We favor companies that find opportunities to mitigate their environmental footprint, have better-than-average environmental records relative to their industry peers, and are responsive to stakeholders. Furthermore, we assess corporate-wide sustainability strategies and solutions that go well beyond regulatory compliance, such as integrating environmental factors into product design and corporate management and governance. Calvert generally avoids investing in companies involved in nuclear power, with the exception noted at left.*

Calvert seeks to invest in companies that:

- Demonstrate leadership in addressing climate change through appropriate policies and strategies, energy efficient operations, and the development of renewable energy and other alternative environmental technologies;
- Disclose sources of environmental risk and liability and take actions to minimize exposure to future risk;
- Implement natural resource conservation and efficiency programs as well as strong pollution prevention programs, and demonstrate a strategy toward sustainable development; and
- Integrate environmental sustainability and responsiveness at management and board levels, and have programs to engage stakeholders for environmental improvement.

WORKPLACE

Calvert seeks disclosure of policies, programs, and performance metrics in three areas: diversity, labor relations, and employee health and safety. Evaluations focus on quality

*Calvert believes we must make tough choices to address climate change. We advocate a broad range of solutions, such as conservation and renewables, and do not view nuclear power as a viable option at this time. However, Calvert's International Opportunities Fund may, in select cases, invest in companies with existing nuclear power if they are demonstrating leadership in developing alternative energy. Moreover, the Fund will not invest in companies that own or operate new nuclear power plants or do not meet Calvert's safety and security performance standards.



of policies and programs, compliance with national laws and regulations, and proactive management initiatives.

Calvert seeks to invest in companies that:

- Demonstrate inclusive diversity policies, fair treatment of all employees, robust diversity programs and training, and disclosure of workforce diversity data;
- Provide strong labor codes (addressing the core International Labour Organization standards), comprehensive benefits, demonstrated training and development opportunities, and a record of sound employee relations; and
- Support extensive employee health and safety policies, basic and industry specific safety training, demonstrated safety management systems, and a positive safety performance record.

PRODUCT SAFETY AND IMPACT

Companies in our portfolios must demonstrate commitment to consumer safety by producing safe products and services in accordance with federal consumer product safety guidelines. Due to concerns about the impact of certain products on society, most Calvert Signature funds seek to avoid investing in companies that are manufacturers of tobacco products, have direct involvement in gambling operations, or are significantly involved in the manufacture of alcoholic beverages. We avoid investing in companies that are involved in the manufacture, design, or sale of weapons that violate international humanitarian law, or manufacture, design, or sell inherently offensive weapons, as defined by the Treaty on Conventional Armed Forces in Europe and the U.N. Register of Conventional Arms, or the munitions designed for use in such inherently offensive weapons. We similarly avoid investing in companies that produce firearms or ammunition. Most Signature funds avoid companies that mistreat, abuse, or cause unnecessary suffering to animals.

Calvert seeks to invest in companies that:

- Produce or market goods and services that enhance the health or quality of life for consumers;
- Maintain quality control and customer satisfaction;
- Respond promptly to correct problems with product safety; and
- Demonstrate integrity in their advertising and labeling, both domestically and overseas.

Due to the challenges of international research, Calvert's Signature international funds do not currently have gambling or animal welfare exclusions, and set a 10% revenue threshold for tobacco and alcohol exclusions.

INTERNATIONAL OPERATIONS AND HUMAN RIGHTS

We expect companies to be responsible corporate citizens abroad as well as at home and believe that such companies should support culturally appropriate development that upholds the rights and dignity of all. We avoid investing in companies that have serious and persistent human rights problems or directly support governments that systematically deny human rights, including those under international and/or U.S. sanction for grave human rights abuses, such as genocide or forced labor.

We seek to invest in companies that:

- Create and implement codes of conduct that cover their entire scope of operations;
- Adopt specific human rights standards for their operations and practices; and
- Actively address human rights abuses, and promote social and economic justice for all people.

INDIGENOUS PEOPLES' RIGHTS

We are concerned about the survival and security of Indigenous Peoples around the world. Companies operating on or directly affecting the land of Indigenous Peoples should support appropriate economic development that respects indigenous territories, cultures, environment, and livelihoods. We seek to avoid investing in companies that have a pattern and practice of violating the rights of Indigenous Peoples. Calvert also is concerned about culturally offensive or negative images that promote racial, cultural, or religious stereotyping of Indigenous Peoples, and we may engage with companies that manufacture and/or market products with offensive labels and logos.

COMMUNITY RELATIONS

We invest in companies that have built solid relationships with the local communities in which they operate. Calvert examines corporate philanthropy, employee volunteerism, and support of women- and minority-owned businesses. For financial firms, we also review fairness in lending. We seek to avoid investing in companies with practices that have a negative impact on the community.

We seek to invest in companies that:

- Demonstrate a solid commitment to the communities in which they operate;
- Develop programs that target neglected communities, including low-income and minority populations; and
- Build strong working relationships with local and community development organizations.

Investment in mutual funds involves risk, including possible loss of principal invested.

For more information on any Calvert mutual 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.*, 4550 Montgomery Avenue, Suite 1000N, Bethesda, MD 20814 TL10035-201105

*Prior to 4/30/2011, Calvert Investment Distributors, Inc. was named Calvert Distributors, Inc. and Calvert Investments, Inc. was named Calvert Group, Ltd.