Calvert

2025 Stewardship Report

JULY 2026

Contents

Letter from Leadership

In 2025, Calvert continued its 40-year commitment to engaging portfolio companies on financially material environmental, social and governance topics. Amid a shifting market landscape, we sought to foster meaningful progress and help companies maintain business practices that we believe promote long-term shareholder value.

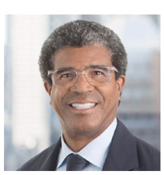
Given changes in the market, some companies and investors have curtailed disclosures and shareholder engagement. Yet, the broader trend toward sustainable business practices and accountable governance remains strong. For example, nearly 400 U.S. companies published EEO-1 workforce diversity reports in 2025, compared to only a handful in 2020.[1] This has been a particular focus of Calvert's engagement program for the past several years.

Our engagement approach is grounded in rigorous research focusing on issues we believe are material to financial performance and aligned with the Calvert Principles for Responsible Investment. We set clear objectives, track progress along the way, and build constructive relationships with companies to maximize impact. We also collaborate with other investors, where appropriate, to increase the effectiveness of our message.

In 2025, our engagement priorities included greenhouse gas emissions reduction, human rights and human capital management. We focused on aligning company strategy, resources and governance with stated goals. We encouraged companies to maintain effective diversity programs, even when public disclosure is challenging. We addressed emerging topics such as AI, data privacy and climate adaptation, encouraging companies to adopt policies and disclosures that help assure shareholders these risks are being appropriately managed.

Proxy voting remains a core fiduciary duty and a powerful expression of active ownership, and Calvert has not waivered in applying consistent, research-driven stewardship standards. With this second annual stewardship report, we underscore our conviction that engagement and accountability are fundamental to long-term value creation—and that disciplined stewardship remains central to how we serve our clients.

Looking into 2026, we aim to raise the bar on our engagement and stewardship activities, rolling out an even more ambitious, globally-oriented program that reflects an increasingly complex regulatory and operating environment for both companies and responsible investors like Calvert.



VON HUGHES
CEO
Calvert

[1] EEO-1: Insights People Return. EEO-1 Insights (2025).

2025 in Review

At a Glance

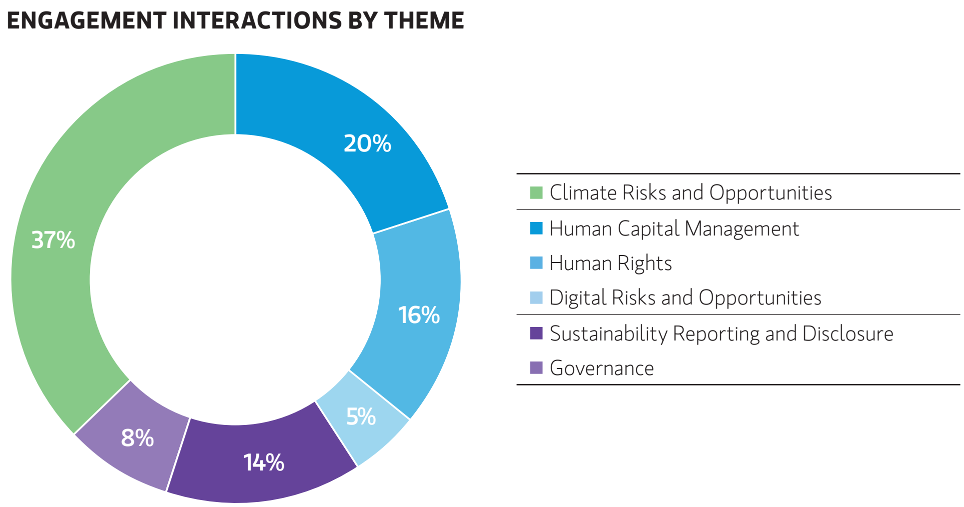
1/1/2025–12/31/2025

100
Companies

385
Interactions*

176
Objectives*

13
Countries



Sectors Covered by Engagement

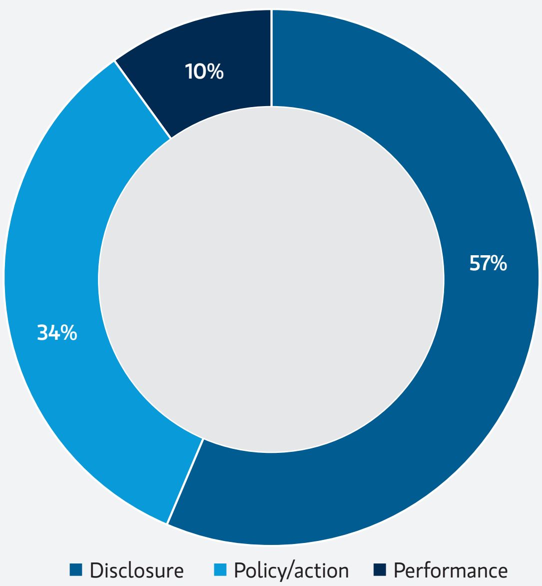
As of 12/31/2025.

* An interaction is any discrete touchpoint or exchange between Calvert and a company that advances, supports or documents an engagement. Individual engagements may pursue multiple objectives and therefore may be counted across more than one objective category.

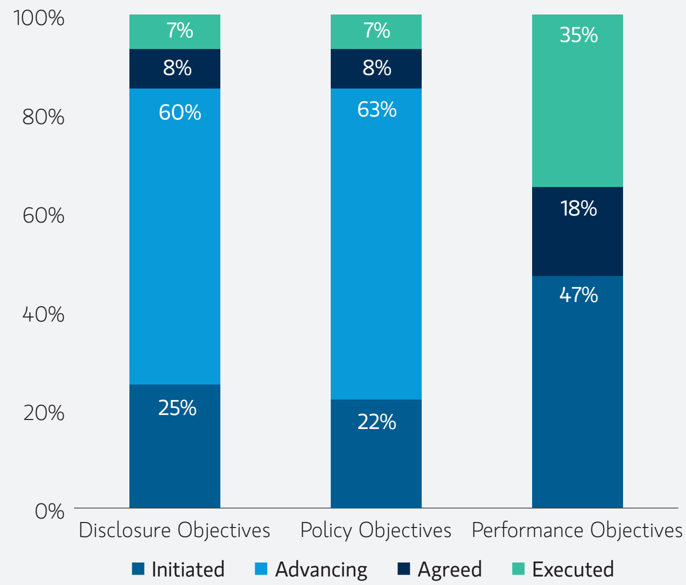
Engagement Progress

1/1/2025–12/31/2025

All Objectives*



Objective Milestones Summary



Objective Type Definitions

DISCLOSURE
The company publicly discloses transparent and comprehensive information on its practices, policies and performance related to key issues.

POLICY OR ACTION
The company adopts or enhances formal policies and/or concrete actions that align with responsible business practices and sustainability goals.

PERFORMANCE
The company achieves measurable improvements in outcomes, demonstrating progress toward targets or benchmarks on material issues.

Progress Milestone Definitions

INITIATED
The company has been apprised of our concerns, usually through a first meeting, but at the very least through written correspondence with the expectation of initiating a dialogue.

ADVANCING
The company has acknowledged our concerns and the need for change. The company may have made partial progress toward meeting our objectives.

AGREED
The company has indicated that it intends to take steps that would fulfill our objectives.

COMPLETED
The company has taken steps that fulfill our objectives, at least in significant part.

* Objectives are clearly defined, company-specific outcomes Calvert seeks to advance through engagement. Outcomes are the observable changes, developments or results that occur at a company over time and relate to the engagement objectives.

Engagement Approach

The Case for Engagement

Calvert sees engagement as an effective way to drive positive change at the companies we hold in our portfolios, leading to value creation and impact. We also use engagement as an input to inform our proxy voting decisions on key material factors such as environmental sustainability and human capital management.

A Focus on Financial Materiality

At Calvert, we believe that engagement rooted in financial materiality is more likely to result in behavioral change because companies are more open to sustainability factors that directly impact their long-term financial performance.

Dedicated, Experienced Team

Calvert's dedicated team of engagement professionals has specific expertise advocating for change in corporations on financially material topics. Working closely with our research team and investment professionals, we leverage our company and industry knowledge to identify opportunities to improve a company's overall approach to sustainability and improve investment outcomes.

Engagement Philosophy

Engagement is fundamental to Calvert's approach to Responsible Investing. Our engagement philosophy encompasses the following characteristics:

- **INFORMED:** We leverage Calvert's extensive investment research to select target companies with the potential for positive change, and to contribute meaningful ideas to improve their financial performance and sustainability risk profile.
- **RESULTS-ORIENTED:** Our engagements are rooted in each company's unique sustainability risks and opportunities. We set differentiated objectives for each target company to aim to ensure that our engagement catalyzes tangible improvements.
- **LONG-TERM:** We intend to build a long-term constructive relationship with the company to produce lasting change and continual improvement.
- **THOUGHT-LEADING:** We encourage innovative approaches to sustainability, and our thought leadership aligns with how we engage with companies on emerging factors that can impact business strategy and financial outcomes.
- **COLLABORATIVE:** Calvert focuses on constructive dialogue and alignment of interests, fostering a constructive environment for change. Strategic partnerships with asset owner partners further amplify Calvert's impact, combining analytical rigor with greater investment scale.

Rigorous corporate engagement can improve corporate behaviors, contributing to a more sustainable and equitable world, and potentially enhancing long-term investment outcomes.

Engagement Selection Process

The engagement team leads a multi-stakeholder process to integrate insights from our research and investment teams to produce an extensive list of potential engagements that are then evaluated according to the below criteria. The resulting engagement plan is reviewed and approved by our internal Engagement and Proxy Voting Committee.

Initial Stakeholder Input

- Calvert Research Team
- Calvert and relevant MSIM equity and fixed income portfolio managers
- Calvert Engagement Team

Criteria for Engagement Target Selection

FINANCIAL MATERIALITY

- Calvert sustainability research
- Calvert fundamental investment theses
- Existing engagement plan

RELEVANCE

- Overall size of Calvert holdings
- Size of holdings in individual Calvert strategies

QUALITY

- Probability of successful engagement
- Engagement team expertise
- Investment and research team insights

Final Qualitative Stakeholder Input Review

OPTIMIZED ENGAGEMENT LIST

- Investment strategy distribution
- Asset class, size and geographic distribution
- Proxy Voting and Engagement Committee review

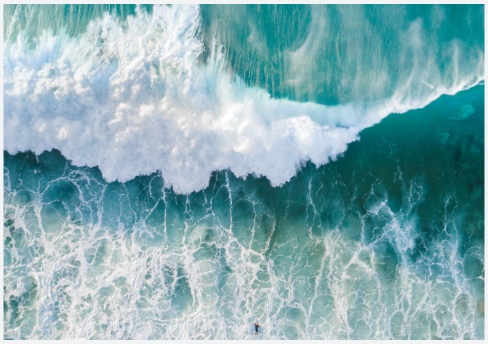
THE CASE OF UTILITIES

Utilities are held across our strategies. They are among our largest source of financed emissions but have shown consistent willingness to engage with us on the execution of their climate transition strategies. We see a challenging but plausible path to long-term decarbonization for utilities, with the potential for reduced financial and regulatory risks along with meaningful real-world impact.

These steps inform our assessment of potential engagements, but the final decisions are made by the engagement team as approved by the Engagement and Proxy Voting Committee.

Engagement Themes

Climate Risks and Opportunities



Calvert's climate engagements support companies in developing and executing decarbonization strategies, improving disclosure and managing financially material climate-related risks. We emphasize the importance of a "just transition", encouraging companies to consider the social impacts of climate strategies on workers and communities. Integrating these principles enables companies to build trust, improve implementation and benefit from policy incentives. Our engagement promotes long-term value through preparation for regulatory changes, enhanced transparency and a fair transition.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Enhance disclosure of client expectations related to low-carbon transition and climate risk (USB)	DISCLOSURE	ADVANCING
Enhance transparency regarding transition-linked financing (PNC)	DISCLOSURE	ADVANCING
Identify priority sectors and transaction types most relevant to portfolio climate risk strategy (WFC)	POLICY / ACTION	ADVANCING

CASE STUDY

Banks

ISSUE

U.S. regional banks face increasing climate risk as larger peers decarbonize, but many lack robust disclosure and operational policies to meet climate goals.

CALVERT APPROACH

As climate risk shifts toward U.S. regional banks, Calvert engages firms to translate climate commitments into stronger disclosure, governance and transaction-level due diligence. Our engagement emphasizes managing climate change as both a financial risk and opportunity, with a focus on client engagement and building more resilient banking practices.

Climate risk is migrating to U.S. regional banks while the largest banks adopt leading-edge decarbonization policies, setting a standard that regional peers have not yet matched. While many regional banks have announced climate goals, they still lack the robust disclosure and operational policies that characterize their larger counterparts. Calvert's engagement encourages these firms to clarify how climate change is managed as both a risk and opportunity, advocating for comprehensive due diligence and client engagement.

- **US BANCORP:** Our engagement supported the development of transaction-level due diligence and climate considerations in financing agreements. We noted growth of in-house sustainability expertise and portfolio emissions analysis. However, uncertainty around evolving climate-risk expectations from U.S. regulators—combined with the company's focus on smaller borrowers—presents ongoing challenges in aligning with climate goals.
- **PNC:** Our engagement promoted the development of formal approaches to transition-aligned opportunities, especially for smaller borrowers. While PNC updated its climate due diligence framework, we think it still lacks clarity on how these efforts support client transitions.
- **WELLS FARGO:** After repealing its net-zero targets and reducing sustainability resources, Wells Fargo's approach to climate risk remains unclear. Our engagement aims to ensure the bank identifies and manages relevant risks as it resumes growth. Included as a large-bank comparator, this case provides context on how shifts in climate strategy and governance can influence climate-risk management across the U.S. banking sector.

Engagement Theme

Human Capital Management

Calvert's engagement on human capital management focuses on how companies build, sustain and elevate their workforce as industries increasingly shift from being primarily capital-intensive and resource-reliant to more knowledge-intensive. We emphasize workforce diversity, talent development, organizational culture, retention and equitable opportunity as essential drivers of resilience and innovation. Research has found meaningful connections between board diversity and performance.[3] We engage with companies to strengthen recruitment pipelines, improve promotion and retention outcomes and advance substantive diversity and inclusion initiatives that support long-term value.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Maintain diverse hiring levels	DISCLOSURE	AGREED
Demonstrate contributions of human capital management to financial performance	DISCLOSURE	ADVANCING
Improve female and technical workforce representation	PERFORMANCE	AGREED

CASE STUDY

Advanced Micro Devices (AMD)

ISSUE

Amid increased attention to corporate diversity efforts, AMD is expected to demonstrate a level of commitment to a diverse hiring pipeline and inclusion initiatives comparable to peers. In this context, the company's disclosures indicate lower female representation in technical roles despite its stated diversity commitments.

CALVERT APPROACH

Calvert engaged AMD to underscore the relevance of workforce diversity to innovation, conveying that these considerations remain an area of focus for many investors. The engagement also sought to encourage progress in diversity outcomes within technical roles, with an emphasis on targeted programs that extend beyond high-level commitments. By engaging senior management and the board, the dialogue supported constructive discussions and positioned Calvert to provide input into AMD's evolving strategy and related disclosures.

AMD is a leading global semiconductor company that designs and produces computer processors, graphics chips and related technologies. AMD has a long-standing commitment to advancing diversity, belonging and inclusion as a core strategic priority. Programs that foster an inclusive culture and employee engagement globally, alongside a senior executive team that is reflective of strong gender and ethnic diversity support this. Despite these commitments, its disclosures show the company continues to underperform peers on female representation, particularly in technical roles, as reported on its EEO-1 reports.

Since early 2025, Calvert has engaged with AMD's leadership on multiple occasions, encouraging the development of targeted programs to improve diversity outcomes. The company has demonstrated strong performance in upholding its commitment to diversity despite external pressures, maintaining its initiatives even as peers scale back, and showing clear awareness of the broader societal and political headwinds affecting its human capital management practices. However, AMD attributes its challenges to acquisitions, as well as what it describes as industry-wide issues: promotion bottlenecks and retention issues for female engineers.

After initial requests for dialogue with subject matter experts, we escalated our engagement to senior leadership. This led to constructive discussions with AMD's Global Lead for Talent, Culture and Community, who expressed openness to continued dialogue and requested feedback on current disclosures and initiatives. These new relationships position Calvert to contribute meaningfully to AMD's strategy and reporting going forward.

[3] Schroeder, L. (2024). Trends and insights: Board leadership diversity and organizational performance. Harvard Business School, Race, Gender & Equity Initiative.

Engagement Theme

Human Rights

Calvert's human rights engagements focus on how companies manage impacts on people across operations and supply chains, which is critical for maintaining their social license to operate. We emphasize due diligence, oversight and transparency in areas where risks to workers and communities are most acute. Companies that treat human rights as ongoing risk management are better positioned to sustain productive supplier relationships and maintain market access. Our engagements focus on strengthening policy frameworks, improving risk mapping and disclosing outcomes in high-risk sectors, with recent priorities in cocoa and electric vehicle (EV) mineral supply chains.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Enhance disclosure of just transition, community engagement and human rights due diligence practices	DISCLOSURE	ADVANCING
Advance alignment of EV supply chain policies with Free, Prior and Informed Consent principles.	POLICY / ACTION	AGREED
Improve supply chain transparency and reporting related to climate goal implementation	POLICY / ACTION	INITIATED

CASE STUDY

Electric Vehicle Value Chain

ISSUE

EV battery minerals in North America are often sourced from Indigenous lands, raising concerns about Free, Prior and Informed Consent (FPIC).

CALVERT APPROACH

Calvert's engagement with General Motors (GM) and Lithium Americas led GM to commit to strengthening FPIC oversight and improving related policies. Calvert is positioned to help companies enhance FPIC consultation as enforcement and standards evolve.

Raw minerals for EV batteries in North America are often located on Indigenous Peoples' land. FPIC gives these communities the right to approve or reject projects affecting their territories, helping companies avoid mining delays, reputational damage and legal liability. Calvert engages with companies to promote strong FPIC policies and procedures.

Calvert's Engagement Team and the MSIM Fixed Income Team partnered with GM and Lithium America (LAC) to address concerns about the Thacker Pass lithium mine, a key part of GM's battery sourcing strategy. We raised questions about stakeholder engagement and FPIC with Indigenous communities. GM responded constructively, committing to strengthen FPIC oversight and work with LAC to address issues at Thacker Pass, including improving human rights policies, supply chain oversight and disclosure.

As courts increasingly enforce Indigenous rights and international standards are adopted, Calvert is well-positioned to help companies enhance FPIC consultation and oversight in their policies and procedures.

Engagement Theme

Digital Risks and Opportunities

Digital transformation is reshaping every sector, influencing how companies create value, manage risk and maintain stakeholder trust. Digital governance refers to systems and oversight guiding responsible technology use, including cybersecurity, data privacy, infrastructure resilience and ethical AI development. Our engagements emphasize strengthening board oversight, improving disclosures and encouraging adoption of frameworks that enhance resilience and long-term value creation. This year, we focused on AI governance, data ethics, legacy system modernization and digital traceability.

CASE STUDY

Walmart

ISSUE
Walmart's expansion in ecommerce increased cybersecurity and data privacy risks, with gaps in disclosure for new segments and acquisitions.

CALVERT APPROACH
Calvert's engagement prompted Walmart to clarify its Digital Trust Principles and commit to ongoing dialogue and improved reporting, strengthening investor confidence in its risk management.

Walmart's growing reliance on e-commerce has heightened cybersecurity and data privacy risks. Calvert's review of Walmart's disclosures identified opportunities to improve transparency, especially regarding policies for new business segments and acquisitions like Vizio, and customer data retention. Calvert initiated a discussion with the company to discuss its governance structures and to share investor expectations on best practices.

Walmart outlined its Digital Trust Principles, emphasizing data ethics, privacy and cybersecurity as strategic priorities. Calvert encouraged clearer public disclosure on data minimization and privacy-by-design, aligned with the EU's General Data Protection Regulation best practice standards. Walmart committed to ongoing dialogue and enhancing its reporting to better reflect internal practices.

The insights gained from this engagement directly informed Calvert's investment analysis. Walmart's responsiveness and progress on digital governance strengthened Calvert's confidence in the company's risk management and long-term resilience.

PRIMARY OBJECTIVE	TYPE	OUTCOME
Strengthen governance and disclosure related to cybersecurity and data privacy practices	DISCLOSURE	ADVANCING

Engagement Theme

Sustainability Reporting and Disclosure

Calvert engages with companies on sustainability reporting to help investors understand how companies manage long-term issues that may influence performance, operations and strategy. Effective reporting highlights what matters, why it matters and how progress is evaluated. Our engagement focuses on helping companies prioritize financially relevant topics, select clear metrics and develop streamlined processes. We encourage companies to increase visibility into areas such as human capital, climate strategy and business ethics, and to align, where appropriate, to established standards such as the International Sustainability Standards Board and the Global Reporting Initiative have set.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Enhance disclosure of workforce human capital metrics	DISCLOSURE	AGREED
Increase transparency regarding integration of acquired workforce	DISCLOSURE	ADVANCING

CASE STUDY

CBIZ

ISSUE
CBIZ's sustainability reporting provided limited visibility into talent management and sustainability oversight, especially after acquiring Marcum.

CALVERT APPROACH
Calvert's engagement prompted CBIZ to build a structured human capital management (HCM) program, improve data tracking and seek input on ESG reporting, reflecting growing recognition of the value of transparent sustainability information.

CBIZ, a small-cap financial, insurance and advisory services provider, relies on specialized talent, making recruitment and retention central to its competitiveness. Its sustainability reporting has historically offered limited visibility into talent management and sustainability oversight.

Our engagement began in 2024 and became more relevant after CBIZ acquired Marcum in 2025, nearly doubling its workforce and highlighting the need for a formal human capital strategy. Meetings with the Chief Human Resources Officer revealed CBIZ is building a structured HCM program with enhanced data tracking and performance metrics, though external disclosure is still developing.

Calvert has advised CBIZ on transparent investor communication, including reporting on employee engagement and KPIs for training and development. The company is developing a learning management system to consolidate workforce data and improve reporting quality, and has requested Calvert's input as it revamps sustainability reporting for 2026. These steps show CBIZ's growing recognition that sustainability reporting builds trust and discipline.

Engagement Theme

Governance

Calvert engages year-round on governance issues that shape proxy voting, including director elections, compensation, shareholder proposals and contested solicitations. We focus on board independence, risk controls and shareholder rights. We expect companies to demonstrate board-level awareness of strategic risks, including sustainability issues. Engagement examines committee structures, director education and adaptability. Our stewardship objective is consistent: governance that protects long-term shareholder interests through independent oversight, transparent reporting and accountability.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Promote alignment between firm-level and unit-level social and environmental policies.	POLICY / ACTION	AGREED
Increase supply chain transparency and audit coverage across manufacturing processes	DISCLOSURE	ADVANCING

CASE STUDY

LVMH

ISSUE

LVMH's decentralized Maison or unit-level structure presents governance challenges related to oversight and accountability for supply chain and human rights risks across the group.

CALVERT APPROACH

Calvert engaged with LVMH to assess governance oversight and accountability in risk areas and to understand how responsibilities are allocated across the group.

Calvert engaged with LVMH over several meetings to understand how governance responsibilities are managed within the company's decentralized Maison structure. Discussions focused on how supply chain and human rights risks are identified, escalated and overseen at the group level, and how expectations are communicated across individual Maisons.

LVMH explained that while Maisons maintain operational autonomy, they are expected to align with group-wide standards and reporting requirements. The company uses centralized monitoring tools and internal reporting processes to track performance against firm-level priorities. This includes those established under its LIFE 360 framework which establishes LVMH's sustainability priorities.

Engagement also addressed board and committee oversight, including the role of the Ethics and Sustainable Development Committee in overseeing sustainability-related risks. Given limited direct access to the board, Calvert communicated through the Investor Relations function to ensure that governance considerations related to supply chain and human rights risks were elevated for board awareness. Calvert submitted a letter requesting that these issues be elevated for board consideration and discussed expectations for clearer accountability and risk escalation mechanisms.

Throughout the engagement, Calvert emphasized the importance of clear accountability, consistent application of group standards, and effective escalation processes to support oversight across the organization.

Fixed Income Asset Class Engagement

Debt remains the asset class of choice to raise capital to drive climate action, representing over 90% of energy transition financing in 2024.* Given this focus, we find that leveraging and building on the relationship our Fixed Income credit analysts have with management can enable us to access the most appropriate company contacts, to encourage effective dialogue with key decision makers.

Certain sectors that face heightened sustainability risks have more complex subsidiary structures. For instance, most investor-owned utilities in the U.S. consist of a parent company (HoldCo) that owns one or more operating subsidiaries (OpCos). Because they tend to be closer to the assets and associated cash flows, OpCos tend to issue their own debt rather than the equity-issuing parent HoldCos. Engaging the OpCos together with our Fixed Income colleagues can help us to refine our engagement objectives on such issues as M&A activity and coal exit plans.

Calvert has a broad range of fixed income holdings, which includes large corporates, high yield (often private) companies and non-corporate debt issuers. In our collaboration this year with the MSIM Fixed Income Team, we engaged with several high yield issuers; these companies may often have limited sustainability resources or disclosures due to their smaller size. We find that collaborating with the MSIM Fixed Income Team is beneficial to tailor our recommendations to these issuers' stage of sustainability progress and, in some instances, to gain access to the C-suite.

Engagement Topic

Sector

* Bloomberg NEF. (2025). Energy Transition Investment Trends 2025 [Report].

FROM ELECTRIC VEHICLES TO EMPLOYEE EMPOWERMENT:

Shaping Ford's Climate and Just Transition Commitments

In 2025 we met with Ford Motor Company twice, together with our Fixed Income automotive sector analysts. The aim of our engagement was to assess the potential impact of changes to Ford's electric vehicle (EV) platform on both equity and debt performance.

Our discussions focused on Ford's climate strategy, capital allocation and just transition disclosures. We encouraged Ford to provide clear KPIs and forward-looking guidance on climate-aligned investments, battery recycling and to strengthen reporting on human rights governance in the supply chain and on workforce training. Our team also shared a set of best practices from other companies in the sector.

While Ford acknowledged the challenges of the EV transition and scenario-based climate disclosures, company management committed to an ongoing dialogue with Calvert's team.

The discussions around capital allocation were particularly meaningful for our Fixed Income colleagues, given that a significant portion of Ford's green capital expenditures is financed through debt instruments, such as green bonds (alongside internal funds and general corporate financing to support broader environmental spending). We will continue to advocate for enhanced transparency and robust sustainability practices at Ford.

Effective Collaboration

Partnering with Asset Owners to Maximize Engagement Effectiveness

While most of our engagements with companies are conducted bilaterally, we may, where appropriate, work closely with asset owner clients where alignment of objectives and long-term investment horizons can strengthen the effectiveness of engagement. These partnerships are designed to deepen dialogue with companies and support progress on issues that are material to long-term value creation.

Tackling Climate Risks and Opportunities in the Utilities Sector

ISSUE

CMS Energy and DTE Energy must retire fossil fuels, scale renewables and meet rising demand under Michigan's 2023 Energy Law while ensuring affordability, reliability and equity.

CALVERT APPROACH

In partnership with CalSTRS, Calvert's engagement led CMS and DTE to commit to equity-focused planning, greater transparency and tools prioritizing environmental justice communities in Michigan's clean energy transition.

CMS Energy and DTE Energy are Michigan-based utilities subject to the 2023 Michigan Energy Law, which aims to accelerate the transition to economy-wide net zero. Since early 2025, Calvert and CalSTRS, engaged both companies to address challenges including retiring fossil fuel generation, scaling renewables and meeting surging electricity demand while safeguarding affordability and equity. Our dialogue emphasized just transition principles, deeper stakeholder engagement, transparent reporting and enhanced equity disclosure in integrated resource plans (IRPs).

By mid-2025, CMS committed to embedding equity considerations into its IRP and stakeholder engagement processes, publishing KPIs and developing frameworks to measure community impact. DTE adopted tools to prioritize environmental justice communities and implemented policies for equitable coal plant closures, agreeing to improve transparency around engagement strategies.

Calvert works with companies to ensure the KPIs used to assess utility performance are shared regularly with investors. Calvert aims to understand how companies will involve stakeholders to address regulatory risks, including datacenter backlash and cost issues.

Calvert's ongoing engagement positions us to influence inclusive planning and reporting as industrial growth and data centers drive Michigan to face unprecedented electrification challenges.

Collaborating Through Investor and Industry Initiatives

In addition to direct engagement with portfolio companies, we selectively participate in collaborative initiatives led by industry organizations and investor networks. These efforts allow investors to pool expertise, align expectations and engage companies on complex, system-level issues that may be difficult to address through bilateral dialogue alone. By contributing to well-structured collaborations with clear objectives, we seek to reinforce consistent signals to companies and support meaningful policy and practice improvements on issues that are material to long-term risk management and value creation.

PRI Advance Strengthening Human Rights Policies in a Leading Utility Company

Calvert participates in Advance, a PRI-led collaborative initiative, which coordinates institutional investor engagements on human rights and social issues in the mining and renewables sectors.

Since 2023, Calvert has taken part in the Advance engagement with the Spanish utility company, Iberdrola. The engagement has played a constructive role in shaping and accelerating the company's human rights commitments, including an integrated approach to Free, Prior and Informed Consent (FPIC) from local communities regarding projects affecting their land. These efforts culminated with Iberdrola's recent update of its human rights policy to explicitly reference the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Adding a commitment to the UNDRIP was a specific expectation from the investors in the PRI Advance initiative, intended to protect and enhance risk-adjusted returns by advancing progress on human rights.

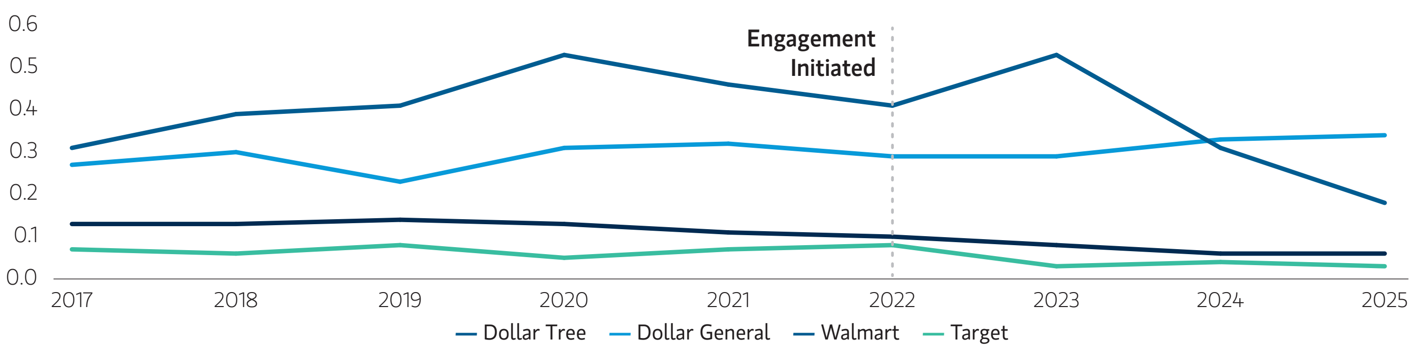
Engaging for Long-Term Change: Assessing Outcomes Over Time

We closely monitor issues that have historically posed challenges for companies and where we have engaged. In recent years these topics have been central to investor dialogue, and we are now observing meaningful shifts in how companies address them. The following examples illustrate emerging practices and progress on material concerns, offering insight into trends that shape long-term risk and opportunity across the market.

Dollar Tree

We engaged Dollar Tree (DLTR) from 2022 to 2024 to address safety in their stores. Prior to 2022, DLTR's underinvestment in store infrastructure, under staffing and low wages drove significant operational challenges that resulted in frequent safety violations and workplace violence Activist investors led a proxy contest that resulted in a CEO transition and new board members. Calvert, along with other investors, engaged with DLTR to influence the company's turnaround. Following our two-year effort, the company hired key personnel to address violations and workplace violence. These changes led to a dramatic reduction in OSHA violations and gun-related incidents in stores.

Violent Incidents per Million Square Feet



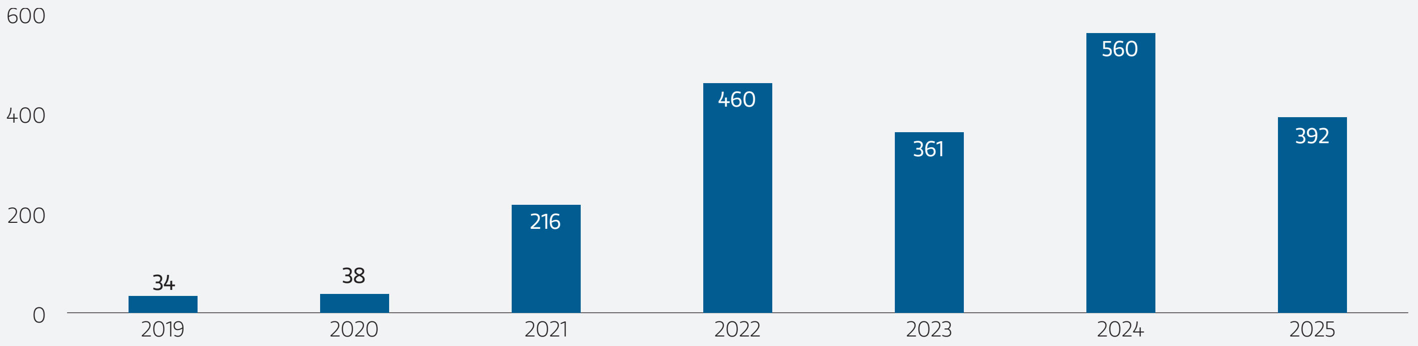
Source: National Gun Violence Archive. (2025) Gun violence data.

PRIMARY OBJECTIVES	TYPE	OUTCOME
Promote dialogue on regulatory compliance frameworks and workplace safety oversight.	PERFORMANCE	COMPLETED
Encourage transparency around workplace safety, violence prevention and related risk-management practices.	PERFORMANCE	COMPLETED
Support greater transparency around how ESG considerations inform board refreshment decisions and ongoing governance oversight.	PERFORMANCE	COMPLETED

EEO-1 Disclosures

In 2020 and 2021, we engaged with 100 of our top holdings, encouraging them to enhance workforce diversity disclosure through public EEO-1 reporting. All 100 companies disclosed their EEO-1 reports in the following years. Since 2020, public reporting of EEO-1 data has become increasingly standard, with the number of companies releasing these reports within the Russell 3000 and S&P 1500 growing twelve-fold from 2020 to 2022. Reporting activity peaked in 2024, when the highest percentage of companies disclosed their reports. Despite public rollbacks in D&I initiatives in 2025, diversity reporting remains resilient, with EEO-1 public reporting levels in 2025 surpassing those of 2023 and greatly improved from when we started this effort in 2020.

Number of Companies Releasing Disclosure



Source: People Return. (2025). *EEO-1 workforce diversity disclosures dataset.*

PRIMARY OBJECTIVE	TYPE	OUTCOME
Support greater transparency around workforce diversity through disclosure of EEO-1 data.*	DISCLOSURE	COMPLETED

* This objective is representative of a collective engagement effort initiated in 2020 with 100 portfolio companies to encourage enhanced workforce diversity disclosure through public EEO-1 reporting. All companies engaged at that time subsequently disclosed EEO-1 reports in the following years. However, disclosure practices may evolve over time, and some companies previously engaged may have since modified or discontinued public EEO-1 reporting.

Proxy Voting

The 2025 proxy season highlighted increased complexity in the voting environment, especially for U.S.-listed companies. Fewer proposals reached ballots, regulatory rules shifted and investment managers adopted divergent practices. Amidst this flux, Calvert's proxy guidelines—rooted in the Calvert Principles for Responsible Investing—enabled us to apply consistent standards to every proxy vote. Our principles-led approach ensures votes align with long-term financial and sustainability outcomes.

Key 2025 Proxy Voting Trends

Decline in Environmental and Social (E&S) Proposals:
Only 239 E&S proposals reached ballots—a nearly 40% decrease from 2024. This decline resulted from waning support and new SEC guidance expanding the "no-action" process, making it easier for companies to exclude shareholder proposals from appearing on proxy ballots.* Companies filed 38% more no action requests than in 2024, with nearly 70% granted, returning proposal exclusion levels to those last seen in 2020 and 2021. Governance-related proposals also declined, yet more than half received at least 30% support. Only about 7% of E&S proposals exceeded this level, down from 19% in 2024. Calvert supported 75% of environmental proposals and 87%of social proposals, consistent with prior years.

- **DIVERSITY & INCLUSION (D&I):** Despite a broad decline in support for D&I proposals, Calvert remained committed to evaluating all proposals based on financial materiality and long-term value, supporting 100% of D&I-related proposals this season. Our rationale is consistent: diverse workforces and leadership drive productivity and performance.
- **ARTIFICIAL INTELLIGENCE:** AI emerged as a growing area of shareholder concern, with proposals for greater disclosure on data use, human rights and environmental impacts. Calvert supports proposals that ensure strong governance, transparency and oversight of AI-related risks including bias, privacy and misinformation.
- **REGULATORY CHANGES:** Updated guidance on Schedules 13D and 13G prompted some large investors to pause engagement or become more cautious. Calvert continued its stewardship program, using both engagement and voting as complementary tools.
- **VOTING RECORD:** For the past three years, Calvert has maintained strong support for financially material E&S resolutions and continued to vote against management in line with our proxy voting guidelines. Calvert voted against management on at least one item in approximately 86%of meetings, signaling areas for improvement and reinforcing accountability.
- **SAY-ON-PAY:** Calvert revised its methodology ahead of the 2025 proxy season, shifting from a preference for majority performance-based long-term incentives to a more balanced mix of time-based and performance-based awards.

* U.S. Securities and Exchange Commission, Division of Corporation Finance, Shareholder Proposals: Staff Legal Bulletin No. 14M (CF) (Feb. 12, 2025).

Proxy Voting Stats

01/01/2025 – 12/31/2025

Calvert Support of Shareholder-Proposed Resolutions

Calvert's Proxy Voting Guidelines are generally updated each year and include sustainability themes often seen in shareholder proposals. In general, we support:

- Proposals requesting companies to report on their environmental practices, policies and outcomes.
- Proposals seeking improved management and reporting of a company's suppliers, supply chain resiliency and responsible sourcing practices.
- Proposals that request companies develop appropriate policies to respect human rights throughout their global operations.

99%+[1]
Proxies Voted

86%[1]
Meetings with at Least One Vote Against Management

40%[2]
Say on Climate[2] Votes Against Management

CALVERT SUPPORTED

75%
Of environmentally focused shareholder proposals

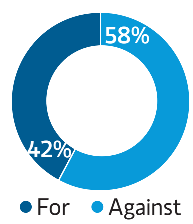
87%
Of socially focused shareholder proposals

Calvert Support of Management-Proposed Resolutions

Calvert's Global Proxy Voting Guidelines provide clear guidance on a range of issues, including voting on director elections, which leads us to frequently oppose management resolutions related to corporate boards:

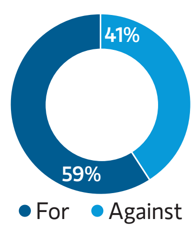
- For failures to address governance, stewardship, risk oversight, strategy, reporting and adoption of policies relevant for financially material issues.
- For lack of independence concerns on the overall board and key committees.
- For insufficient broad representation on the board. Our research indicates representation is associated with better long-term financial performance.

SAY ON PAY PROPOSALS



Calvert voted against management in 42% of "say on pay" proposals

DIRECTOR ELECTIONS



Calvert voted against management in 41% of director election proposals

Source: Calvert, ISS (2026)

[1] Represents meetings in which Calvert-managed accounts held voting positions.

Covers January 1 to December 31, 2025. Previous report covered July 1, 2023 – June 30, 2024 and therefore, voting stats for July 1 – December 31, 2024 have not been reported.

Percentages only include "FOR" and "AGAINST" votes and do not include other voting instructions, for example abstentions.

[2] Say on Climate is an environmentally focused management proposal we see at some companies. These proposals are voluntary and widespread in non-U.S. markets. The aim is to provide shareholders a chance to vote on the company's climate-transition plan. Other environmentally focused proposals that are put forth by shareholder proponents typically ask the company to produce some sort of specific disclosure or take a certain action.

Proxy-Related Stewardship Engagements

Calvert complements its structured, year-round engagement work with a focused set of proxy-related stewardship meetings. These targeted, time-bound conversations, which are often concentrated around the proxy season, are designed to inform voting decisions, deepen dialogue on voting-relevant environmental, social and governance issues, and maintain touchpoints with a diverse set of issuers.

Calvert publishes its proxy voting record and provides the rationale behind key decisions to enhance accountability and clarity. Access the records here.

PROXY VOTING CASE STUDY

TD Bank

ISSUE

TD Bank's board, led by its Chair, lacked sufficient oversight of anti-money laundering (AML) risks, leading to regulatory settlements and substantial penalties.

CALVERT APPROACH

Calvert voted against the Chair's re-election to reinforce accountability. Other nominees were supported for corrective actions, while three related shareholder proposals were opposed for being overly prescriptive or duplicative.

Calvert voted against the Chair of TD Bank's board due to insufficient oversight of AML risks. The controversy stemmed from major deficiencies in AML controls, leading to plea agreements with U.S. authorities in October 2024. The settlements cited failures to monitor $18.3 trillion in transactions from 2018 to 2024 and resulted in $3.1 billion in penalties.

We supported other director nominees in recognition of corrective actions, including board refreshment and AML program enhancements. We also voted against three related shareholder proposals, finding them overly prescriptive or duplicative of existing initiatives.

PROXY VOTING CASE STUDY

Antofagasta PLC

ISSUE

An insider director with poor board attendance had Calvert concerned about oversight and fiduciary responsibilities, especially in a controlled company.

CALVERT APPROACH

Calvert voted against the director's re-election to uphold high governance standards, applying its policies with consideration for the company's ownership structure and governance practices.

Calvert voted against the re-election of an insider director due to poor attendance. While our guidelines provide a consistent framework, we apply them thoughtfully and assess each situation individually. In reviewing the director's re-election, we considered the company's governance practices and board composition, noting its status as a controlled company with the director's family holding a majority of shares.

Despite this structure, strong governance and accountability remain essential, particularly regarding director engagement. Regular participation in board meetings is fundamental to effective oversight, and diminished attendance raises concerns about fulfilling fiduciary responsibilities. After considering all factors, we concluded that voting against the insider director's re-election was appropriate given his poor attendance and the importance of maintaining high governance standards.

About Calvert

Calvert has been a global leader in Responsible Investing for over 40 years with a dual purpose of creating long-term value for our clients while also driving positive global change.

INVESTMENT FIRM

- Founded in 1976
- Headquartered in DC with offices in New York, Boston and London
- Large, diverse and experienced team of professionals

GLOBAL REACH

- $51bn in AUM*
- More than 45 strategies spanning public equities and fixed income
- Mutual funds, ETFs, UCITS and separate accounts

TRUSTED PARTNER

- Strategic partner for long-term oriented asset owners
- Can support across a range of asset owner needs including knowledge transfer, research, engagement and custom investment solutions

DUAL-PURPOSE MANDATE

- Aim to create long-term value for our clients, while also driving positive global change
- Calvert Principles for Responsible Investment seek to balance the needs of shareholders and the global commons

DEEP PROPRIETARY RESEARCH

- Calvert Principles guide evaluation of how companies manage environmental, social and governance risks and opportunities
- 25+ person dedicated research team
- Research underpinned by financial materiality

ACTIVE ENGAGEMENT

- Long history of engagement informed by proprietary research
- Engagements focus on company improvements that we believe are additive to investment performance and positive societal outcomes

*Assets under management (AUM) as of 12/31/2025. This AUM represents all Calvert branded products, blends and tilts which are managed across Calvert and its affiliate organizations including Parametric, Atlanta Capital, Eaton Vance and Morgan Stanley Investment Management (MSIM). As a result, this number includes funds that may be counted in affiliate AUM as well. Please refer to MSIM AUM for disaggregated AUM numbers.

A Brief History

Calvert has achieved many milestones over four decades of leadership and innovation in Responsible Investing.

- **1976** — Calvert Investment Management (CIM) founded
- **1982** — Launched Calvert Balanced Portfolio
- **1982** — Founding member of US SIF
- **1986** — First investment manager to launch an ESG-focused shareholder proposal
- **1987** — Launched industry's first ESG bond portfolio
- **1989** — Founding member of Ceres
- **1992** — Calvert issues first Int'l ESG Portfolio by U.S. manager
- **1995** — Calvert Impact Capital launched
- **1999** — Introduced first investment criteria on Indigenous People's Rights in the U.S.
- **2001** — First U.S. financial entity to sign UNGC
- **2003** — Founding member of UNEP FT
- **2005** — Launched industry's first multi asset ESG platform
- **2006** — Founding signatory of PRI
- **2009** — UN Women Empowerment Principles released, based on Calvert's Women's Principles
- **2011** — Launched industry's first ESG green bond strategy
- **2011** — Founding member of SASB
- **2015** — Calvert launches the Calvert Principles Responsible Investment
- **2015** — Launched proprietary responsible index platform
- **2016** — Calvert Research and Management (Calvert) acquired by Eaton Vance
- **2021** — Calvert acquired by Morgan Stanley
- **2022** — Launched Calvert UCITS
- **2023** — Launched Calvert ETFs

Calvert has a long history of active engagement. We have played leading roles in some of the sustainable investment industry's most important developments.

In 1986, Calvert filed one of the first shareholder proposals by an asset manager. In the subsequent years, we supported the founding of key organizations dedicated to active ownership, including CERES, the Carbon Disclosure Project and the Principles for Responsible Investing.

Calvert was also one of the first asset managers to adopt proxy voting policies supporting environmental and social proposals.

In 2020, we led a successful investor effort to encourage companies to publish EEO-1 (workforce diversity) reports, and have worked with companies to improve human capital management ever since. In 2025, we continued to engage with companies to achieve progress on their financially material topics such as methane emissions, discount retail store safety and violence prevention, and climate change in the banking sector.

Looking Ahead for 2026

As we enter 2026, Calvert aims to advance a more ambitious, globally-oriented engagement program that reflects an increasingly complex operating environment for companies and investors alike. Building on the focused, high-impact approach established in 2025, diverging regulatory pathways shape our expanded agenda.

In response, our engagement strategy will remain disciplined and selective, prioritizing material issues, maintaining geographic and thematic balance and preserving the depth of company dialogue that anchors Calvert's stewardship philosophy. At the same time, we are intentionally sharpening our focus on how macro issues are reshaping corporate decision-making. This approach seeks to preserve the depth and rigor of our engagement while also remaining responsive to the realities shaping markets today.

Physical Climate Risk Thematic Engagement

Launched in late 2025 and to fully roll-out over 2026, we will conduct a cross-sector engagement series on physical climate risk, reflecting the growing financial and operational impacts of extreme weather events. This work will focus on improving companies' abilities to quantify asset-level exposure, integrate resilience considerations into capital planning, and communicate decision-useful metrics to investors.

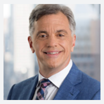
Proxy Voting During Regulatory Uncertainty

Recent and anticipated changes to SEC rules affecting shareholder proposals, as well as measures impacting proxy advisors, are expected to influence filing practices, timelines and voting considerations across the market. These developments shape the regulatory context in which stewardship and voting decisions occur and reinforce the importance of engagement during proxy season.

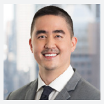
Looking ahead to 2026, we expect continued declines in E&S proposals, ongoing discussion of D&I practices, increased focus on AI governance and further regulatory uncertainty. In this evolving landscape, consistency will remain vital for clear communication and effective stewardship. Proxy voting is more than a procedural exercise—it enables shareholders to articulate their stewardship priorities and drive accountability, transparency and sustainable outcomes.

Calvert's Global Proxy Voting Guidelines are intended to align our stewardship activities with the Calvert Principles for Responsible Investment, ensuring we vote consistently over time, in a way that seeks to create or preserve the long-term value of our investments on behalf of clients.

The Calvert Engagement Team

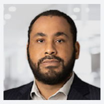


John Wilson
Executive Director, Director of Engagement



Miguel Cuunjieng
Vice President, Corporate Engagement Strategist

William Hsu
Vice President, Corporate Governance and Proxy Voting Specialist



Michael Varner
Vice President, Corporate Engagement Strategist

Monica Gordon
Senior Associate, Corporate Engagement

For more information about our Stewardship program and approach to Responsible Investing, please contact **info@calvert.com**.

calvert.com

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