

Calvert's Approach to Selecting ESG Metrics

MARKETING COMMUNICATION | ESG METRICS | JUNE 2023

MSINVF CALVERT SUSTAINABLE U.S. EQUITY SELECT FUND
MSINVF CALVERT SUSTAINABLE DEVELOPED MARKETS EQUITY SELECT FUND
MSINVF CALVERT SUSTAINABLE DEVELOPED EUROPE EQUITY SELECT FUND
MSINVF CALVERT SUSTAINABLE EMERGING MARKETS EQUITY SELECT FUND
MSINVF CALVERT SUSTAINABLE DIVERSITY, EQUITY, INCLUSION FUND
MSINVF CALVERT SUSTAINABLE CLIMATE ALIGNED FUND

Overview

Promoting environmental sustainability and positive societal outcomes alongside long-term, risk-adjusted financial returns is core to Calvert's foundational mission and investment approach.

In selecting environmental, social and governance (ESG) metrics associated with investment products (Products) managed by Calvert Research and Management (Calvert) in accordance with specific ESG considerations applicable to relevant Products, Calvert draws on:

1. The Calvert Principles for Responsible Investing (the "Calvert Principles").

The Calvert Principles provide a framework for considering material ESG factors that may affect firms' investment performance and socio-environmental impacts.

2. Pivotal thematic focus areas that intersect with Product investment strategies and engagement priorities (e.g., climate change and diversity, equity and inclusion).

3. Its subject matter expertise on the efficacy of companies' management of material impacts on the environment, employees and communities.

4. Alignment with global standards and frameworks that are consistent with the Calvert Principles.

5. Its proficiency on and proprietary approach to the interplay, interconnectedness and materiality of ESG topics and macroeconomic, geopolitical and regulatory dynamics in global financial markets.

For example, climate change is linked to more frequent severe weather events, drought- and food insecurity-borne conflicts, and habitat-loss induced pandemic outbreaks, such as COVID-19, all of which serve to perpetuate or exacerbate gender or racial inequities and ethnic or geopolitical tensions.

6. Its situational awareness of external vendor ESG data quality and ongoing engagements with third-party data vendors to improve ESG data quality and data quality assurance protocols, policies and procedures. See Statement on ESG data quality below for more information.

ESG Metrics Selection Approach

Calvert's core ESG metrics currently cover four central topic areas that align with Calvert's thematic priorities:

1. Climate-altering greenhouse gas (carbon) emissions;
2. Water consumption;
3. Waste generation; and
4. Workplace diversity, equity and inclusion (DEI)

In general, for holdings in Calvert's investment portfolios and their respective reference benchmarks, Calvert's ESG metrics reflect specific industries or geographies that contribute the highest negative or positive ESG impacts. For example, Calvert has identified high-impact industries whose carbon emissions account for the significant majority of carbon emissions.

The referenced ESG metrics presented for all Calvert-branded MSINVF funds in this suite are core to the Calvert Principles for Responsible Investment, which underpin the investment research that informs Calvert's investment products. Some Calvert funds apply constraints around these metrics to achieve certain ESG targets relative to their reference benchmarks. Our marketing materials describe where particular ESG metrics are part of a fund's investment objective in addition to where they are a Calvert Principles consideration in the investment research process.

Calvert's approach to identifying high carbon-emitting, water-intensive and waste-intensive industries

Calvert has identified high carbon-emitting, water-intensive and waste-intensive industries and sub-industries through qualitative and quantitative research.

Calvert's *qualitative* research included a review of literature from leading authorities on relevant environmental subjects including: the Intergovernmental Panel on Climate Change (IPCC); the U.S. Environmental Protection Agency (EPA); the International Energy Agency (IEA); the U.S. Energy Information Administration (EIA); the World Bank group; the United Nations Educational, Scientific and Cultural Organization (UNESCO); the U.S. National Library of Medicines, National Center for Biotech Information (a branch of the National Institutes of Health [NIH]); CDP (formerly the Carbon Disclosure Project); and peer-reviewed scientific journals.

Calvert's *quantitative* research included an analysis of the carbon emissions, water consumption and waste-generation data for over 9,000 publicly traded global companies to identify the Global Industry Classification Standard (GICS) sub-industries associated with the highest carbon emissions, water consumption and landfill waste generation industries identified by Calvert's qualitative research findings.

Through the aforementioned qualitative and quantitative research processes, Calvert identified:

1. The top 50 highest carbon emitter sub-industries responsible for over 90 percent of carbon emissions¹
2. The top 50 highest water consuming sub-industries responsible for more than 90 percent of water consumption
3. The top 50 highest landfill waste generation sub-industries responsible for over 90 percent of landfill waste

A few non-representative sub-industries with one or two firms that account for the overwhelming majority of carbon emissions, water consumption or waste generation within the specific sub-industries are generally excluded from the list of the top 50 high impact sub-industries.

Calvert provides ESG metrics associated with carbon emissions, water consumption and waste generation at the portfolio level as well as for the identified high carbon-emitting, water-intensive and waste-intensive sub-industries. Calvert's ESG metrics include a portfolio-level breakdown of data that third-party data vendors have identified as being:

- Sourced from disclosures from portfolio companies
- Derived from firm disclosures
- Estimated by the vendors' quantitative models

Calvert also renders carbon emissions, water consumption and waste generation metrics using real-world "metaphors" that represent more cognitively relatable ESG profile comparisons between Calvert's investment strategies and their reference benchmarks.

Water consumption metrics for water-intensive industries

Calvert's water consumption intensity metrics include a portfolio-level breakdown of companies whose operations generally:

- Return water back to the source from which it was withdrawn
- Do not return water back to the source from which it was withdrawn

¹ Note: The Calvert Sustainable Climate Aligned Fund's high carbon-emitting sectors are informed by the EU Paris Aligned Benchmark methodology. Please see "Weighted Average Carbon Intensity by EVIC" below for more details.

Firms whose operations generally return water back to the source include utility companies. Firms whose operations do not generally return water back to the source include those in the following industries: oil and gas, metals and mining, food products, chemicals, automobile, and paper and forest products.

This breakdown provides information that distinguished the portfolios' exposure to firms with water-intensive operations such as:

1. Power generating utilities that account for the overwhelming majority of annual withdrawals from water reservoirs but that generally return most of that withdrawn water, principally used for cooling, back to the source reservoirs.
2. Apparel, automotive manufacturing, food, beverage, and other water-intensive industries that do not generally return water withdrawn back to the source and that often significantly alter the discharged water's quality through the addition of synthetic compounds that can be toxic pollutants.

Calvert's approach to identifying countries with gender diversity quotas for corporate boards

Calvert has isolated global jurisdictions whose legislative or regulatory dynamics have substantially influenced the levels of gender diversity on corporate boards.

Calvert has identified countries with mandatory, comply-or-explain or voluntary corporate board gender diversity quota requirements from multiple corroborative sources including research from international law firm Paul Hastings LLP, Catalyst Inc., the World Economic Forum Gender Gap Index, Deloitte Touche Tohmatsu (Deloitte), MSCI and media sources.

Calvert provides topline board gender diversity metrics at the portfolio level as well as for jurisdictions identified to have corporate board gender quota requirements alongside territories not subject to such requirements.

Metric Definitions

Calvert's ESG indicators measure each portfolio's exposure to key ESG metrics in comparison to a reference benchmark. These ESG metrics are based significantly on data self-reported by companies or derived and/or estimated by data vendors based on their proprietary methodologies. Due to limitations in uniform reporting standards, inconsistent disclosures by companies and variations in data vendors' coverage universes, ESG data coverage will vary, in some cases significantly.

Data vendor sources are listed below. Generally, all calculations are applied to holdings information as of most recent quarter-end.

Carbon emissions, water consumption and landfill waste portfolio-level footprints are calculated with an assumed \$1 million USD invested in the strategy to normalize the volume carbon emissions, water consumed and waste generated between Calvert strategies and their respective benchmarks.

Carbon Emissions Footprint (Source: Sustainalytics): A portfolio's carbon emissions footprint (carbon footprint) is the total volume of greenhouse gas emissions associated with the portfolio's holdings, expressed in metric tonnes per million USD invested. For each company in the portfolio, carbon emissions are calculated using the company's most recently reported or estimated total scope 1 and scope 2 emissions from the last three years. Scope 1 emissions are those from sources controlled or owned by the company. Scope 2 emissions are those caused by the generation of electricity purchased by the company.

Carbon Footprint Metaphor Metric (Source: Calvert, U.S. EPA, Odyssee-Mure, Google Maps): The carbon footprint differential between Calvert strategies and their respective reference benchmarks is metaphorically expressed as the equivalent of carbon emissions from an average passenger vehicle driven in the European Union (EU) over a given distance in kilometers.

Weighted Average Carbon Intensity - Revenue (Source: Sustainalytics): Measures a portfolio's exposure to carbon-intensive industries as expressed by metric tonnes of carbon emissions (scope 1 and 2) equivalent per million USD in revenue. It is a TCFD-recommended measure. For each company in the portfolio, carbon emissions are calculated using the company's most recently reported or estimated total scope 1 and scope 2 emissions within the last three years.

Weighted Average Carbon Intensity - Enterprise Value Including Cash (EVIC)² (Source: Sustainalytics): Measures a portfolio's exposure to carbon-intensive industries as expressed by tonnes of carbon emissions per million USD in EVIC. EVIC is calculated by summing the market capitalization, the total preferred stock/units/securities, the non-controlling/minority interests in equity and the total debt. For each company in the portfolio, carbon emissions are calculated as follows:

- For firms associated with high carbon-emitting industries as determined by Calvert, the company's most recently reported or estimated total scope 1, 2 and 3 emissions within the last three years. High carbon-emitting industries for which scope 1, 2 and 3 carbon emissions are included are identified by taking direction from the scope 3 carbon emissions phase-in approach described by European Union (EU) regulations regarding minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned benchmarks. Specifically, Article 5 of Regulation (EU) 2020/1818, which calls for the phased-in inclusion of scope 3 carbon emissions for referenced NACE sector codes for EU Climate Transition Benchmarks or EU Paris-aligned Benchmarks.

Calvert has transposed the applicable NACE sector codes referenced in the Regulation to GICS codes using the mapping provided in appendix B.2 of the European Union Technical Expert Group on Sustainable Finance's 2019 Handbook of Climate Transition Benchmarks, Paris-Aligned Benchmark and Benchmarks' ESG Disclosures.

- For firms in all other industries, the company's most recently reported or estimated total scope 1 and 2 emissions within the last three years.

² Applies only to MSINVF Calvert Sustainable Climate Aligned Fund

Water Consumption (Source: S&P Trucost): A portfolio's water consumption is the total volume of water consumed and purchased by portfolio constituents in cubic meters per million USD invested. For each company in the portfolio, water consumption is measured by the total volume of water directly abstracted and the volume of water purchased from utility companies.

Water Consumption Metaphor Metric (Source: Calvert, European Environment Agency, United Nations, Government of the Grand Duchy of Luxembourg): The water consumption differential between Calvert strategies and their respective reference benchmarks is metaphorically expressed as the equivalent of the average yearly water consumption of a given number of EU households in liters and the daily water consumption for drinking and cooking in the City of Luxembourg, in liters.

Weighted Average Water Intensity (Source: S&P Trucost): Measures a portfolio's exposure to water-intensive companies as expressed by the weighted average of each company's weight in the portfolio and the volume of water withdrawn and purchased from utility companies in cubic meters per million USD in revenue.

Landfill Waste (Source: S&P TruCost): A portfolio's landfill waste footprint is the total volume of waste generated in tonnes per million USD invested. Each portfolio company's landfill waste footprint is measured by the volume of waste that is generated by the company and disposed of in landfills.

Landfill Waste Metaphor Metric (Source: Calvert, Eurostat): The landfill waste generation differential between Calvert strategies and their respective reference benchmarks is metaphorically expressed as the equivalent of the daily waste generated by a given number of average EU citizens, in kilograms.

Weighted Average Waste Intensity (Source: S&P Trucost): Measures a portfolio's exposure to waste-intensive companies as expressed by the weighted average of each company's weight in the portfolio and the tonnes of waste generated and disposed of in landfills per million USD in revenue.

Boardroom Gender Diversity (Source: FactSet): Expresses the percentage of female corporate board members.

Women in Senior Management³ (Source: Equileap): Female managers as a percentage of total managers. Either Middle Management (level(s) below Senior Management) or all Management (including Senior Management), as defined and reported by the company.

Women in Executive Leadership⁴ (Source: Equileap): Female Executives as a percentage of the total executives. Executives are as defined by the company or represent those individuals that form the company Executive Committee/Board or Management Committee/Board or equivalent.

Ethnic Diversity on Board⁵ (Source: Calvert and ISS): Corporate directors self-identifying as belonging to ethnic groups other than 'White/Caucasian' as a percentage of total directors with available ethnicity information. Only for companies based in Australia, Canada, USA, U.K., and South Africa.

Alternative Energy⁶ (Source: MSCI): Measures the portfolio weight of the revenue derived from products, services or infrastructure projects supporting the development or delivery of renewable energy and alternative fuels. Only for companies in the Energy and Utilities sectors.

Renewable Power Generation⁷ (Source: MSCI): Measures the portfolio weight of the revenue derived from the generation of renewable energy (solar, wind, small hydroelectric, wave tidal, geothermal and waste to energy). Only for companies in the Energy and Utilities sectors.

³ Applies only to the MSINVF Calvert Sustainable Diversity, Equity, Inclusion Fund

⁴ Ibid

⁵ Ibid

⁶ Applies only to the MSINVF Calvert Sustainable Climate Aligned Fund

⁷ Ibid

Fund Portfolio and Benchmark Index Coverage (as of 30/06/2023)

To provide transparency on ESG data availability for a fund's portfolio and its reference benchmark index, a coverage percentage is provided, where applicable. Coverage refers to the percentage of the fund's portfolio or benchmark index for which data is available for a given ESG metric. For example, coverage of 98.6% means that data for the ESG metric in question is available for approximately 98.6% of the portfolio or index's holdings.

FUND	Calvert Sustainable U.S. Equity Select			
BENCHMARK	Russell 1000			
		FUND	BENCHMARK	
METRICS	Carbon footprint/intensity coverage	99%	99%	
	Water footprint/intensity coverage	99%	99%	
	Waste footprint/intensity coverage	99%	99%	
	Boardroom gender diversity coverage	100%	100%	
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=189	n=984
		All Quotas	n=5	n=24
		Voluntary Quotas	n=1	n=4
		Mandatory Quotas	n=0	n=1
		Comply or Explain	n=4	n=19
	Carbon footprint/intensity: data source (by portfolio weight) ⁸	Reported by company	91%	89%
		Estimated by data vendor	7%	10%
		Unknown	1%	1%
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	45%	44%
		Derived from company disclosures	17%	11%
		Estimated by data vendor	38%	45%
		Unknown	0%	1%
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	29%	18%
		Derived from company disclosures	12%	19%
		Estimated by data vendor	31%	38%
		Unknown	28%	25%

⁸ Carbon metrics data is provided by Sustainalytics, which provides information on whether the data provided is sourced from company reports and disclosures or is estimated using proprietary quantitative estimation models. When Sustainalytics does not disclose where provided data is sourced from, Calvert identifies the data source as 'Unknown'.

⁹ Water and waste data is provided by Trucost, which provides information on whether the data provided is sourced from company reports and disclosures or directly from firms. Trucost also provides information on whether the data is derived from company disclosures or estimated using proprietary quantitative estimation models. When Trucost does not disclose where provided data is sourced from, Calvert identifies the data source as 'Unknown'.

FUND		Calvert Sustainable Developed Europe Equity Select		
BENCHMARK		MSCI Europe		
		FUND	BENCHMARK	
METRICS	Carbon footprint/intensity coverage	99%	99%	
	Water footprint/intensity coverage	99%	99%	
	Waste footprint/intensity coverage	99%	99%	
	Boardroom gender diversity coverage	99%	100%	
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=0	n=2
		All Quotas	n=112	n=426
		Voluntary Quotas	n=11	n=51
		Mandatory Quotas	n=62	n=202
		Comply or Explain	n=39	n=173
	Carbon footprint/intensity: data source (by portfolio weight) ⁸	Reported by company	98%	96%
		Estimated by data vendor	1%	2%
		Unknown	0%	2%
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	64%	64%
		Derived from company disclosures	16%	20%
		Estimated by data vendor	19%	15%
		Unknown	0%	1%
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	25%	20%
		Derived from company disclosures	38%	44%
		Estimated by data vendor	20%	17%
		Unknown	16%	19%

FUND		Calvert Sustainable Developed Markets Equity Select		
BENCHMARK		MSCI World		
		FUND	BENCHMARK	
METRICS	Carbon footprint/intensity coverage	98%	99%	
	Water footprint/intensity coverage	99%	99%	
	Waste footprint/intensity coverage	99%	99%	
	Boardroom gender diversity coverage	99%	100%	
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=183	n=700
		All Quotas	n=125	n=812
		Voluntary Quotas	n=64	n=377
		Mandatory Quotas	n=38	n=217
		Comply or Explain	n=23	n=218
	Carbon footprint/intensity: data source (by portfolio weight) ⁸	Reported by company	91%	92%
		Estimated by data vendor	7%	6%
		Unknown	1%	1%
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	47%	48%
		Derived from company disclosures	17%	14%
		Estimated by data vendor	35%	37%
		Unknown	0%	1%
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	24%	18%
		Derived from company disclosures	22%	26%
		Estimated by data vendor	29%	32%
		Unknown	25%	23%

FUND		Calvert Sustainable Emerging Markets Equity Select		
BENCHMARK		MSCI Emerging Markets		
		FUND	BENCHMARK	
METRICS	Carbon footprint/intensity coverage	99%	99%	
	Water footprint/intensity coverage	99%	99%	
	Waste footprint/intensity coverage	99%	99%	
	Boardroom gender diversity coverage	99%	100%	
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=63	n=1050
		All Quotas	n=69	n=371
		Voluntary Quotas	n=48	n=197
		Mandatory Quotas	n=17	n=114
		Comply or Explain	n=4	n=60
	Carbon footprint/intensity: data source (by portfolio weight) ⁸	Reported by company	92%	83%
		Estimated by data vendor	8%	14%
		Unknown	0%	3%
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	57%	48%
		Derived from company disclosures	14%	14%
		Estimated by data vendor	29%	36%
		Unknown	0%	1%
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	20%	16%
		Derived from company disclosures	38%	36%
		Estimated by data vendor	32%	39%
		Unknown	9%	8%

FUND		Calvert Sustainable Diversity Equity and Inclusion			
BENCHMARK		MSCI World			
		FUND	BENCHMARK		
METRICS	Carbon footprint/intensity coverage	100%	99%		
	Water footprint/intensity coverage	100%	99%		
	Waste footprint/intensity coverage	100%	99%		
	Boardroom gender diversity coverage	100%	100%		
	Females in senior management roles coverage	100%	99%		
	Females in executive leadership roles coverage	100%	99%		
	Boardroom ethnic diversity coverage	77%	76%		
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=123	n=700	
		All Quotas	n=74	n=812	
		Voluntary Quotas	n=20	n=377	
		Mandatory Quotas	n=30	n=217	
		Comply or Explain	n=24	n=218	
	Carbon footprint/intensity: data source (by portfolio weight) ⁹	Reported by company	94%	92%	
		Estimated by data vendor	7%	6%	
		Unknown	1%	1%	
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	52%	48%	
		Derived from company disclosures	13%	14%	
		Estimated by data vendor	36%	37%	
		Unknown	0%	1%	
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	25%	18%	
		Derived from company disclosures	20%	26%	
		Estimated by data vendor	32%	32%	
		Unknown	24%	23%	

FUND		Calvert Sustainable Climate Aligned		
BENCHMARK		MSCI World		
		FUND	BENCHMARK	
METRICS	Carbon footprint/intensity coverage	99%	99%	
	Water footprint/intensity coverage	99%	99%	
	Waste footprint/intensity coverage	99%	99%	
	Boardroom gender diversity coverage	100%	100%	
	Carbon intensity (EVIC) coverage	99%	99%	
	Alternative energy coverage	92%	98%	
	Renewable power generation coverage	67%	52%	
	Boardroom gender diversity quota (n=number of firms)	No Quotas	n=121	n=700
		All Quotas	n=86	n=812
		Voluntary Quotas	n=36	n=377
		Mandatory Quotas	n=27	n=217
		Comply or Explain	n=23	n=218
	Carbon footprint/intensity: data source (by portfolio weight) ⁸	Reported by company	95%	92%
		Estimated by data vendor	4%	6%
		Unknown	1%	1%
	Carbon intensity (EVIC): data source (by portfolio weight) ⁸	Reported by company	83%	81%
		Estimated by data vendor	16%	18%
		Unknown	1%	1%
	Water footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	50%	48%
		Derived from company disclosures	17%	14%
		Estimated by data vendor	32%	37%
		Unknown	1%	1%
	Waste footprint/intensity: data source (by portfolio weight) ⁹	Disclosed by company	26%	18%
		Derived from company disclosures	25%	26%
		Estimated by data vendor	24%	32%
		Unknown	25%	23%

Proxy Voting Metrics

Proxy Voting (Source: Insightia): Derived from quarterly U.S. Securities and Exchange Commission (SEC) NPX filings (SEC-recorded proxy votes), July 2022-June 2023. Data reflects the percentage of votes that are in favor of a proposed resolution on the subject as categorized by Insightia.

Top 10 Asset Managers by AUM identified based on Morningstar global fund family data as of June 2023.

Number of Votes Cast and Votes Against Management are pulled directly from Insightia using the SEC's N-PX filings for each investor. Adjustments are made to number of votable proposals including to remove immaterial, non-votable proposals, and to split votes and adjust voting instructions to binary 'for' or 'against' outcomes. ESG Proposals are exclusively composed of shareholder-filed resolutions and proposal categories provided by Insightia, which include: Energy, Environmental, Sustainability, Animal Welfare, Charitable Donations, Corporate Social Responsibility, Human Rights, Political Activities, Social, and Social and Ethics Committee

Voting topic breakdowns are more granular groupings of Insightia ESG categories noted above, disaggregated by U.S. vs. non-U.S. meetings (based on company domicile).

Percentage of votes in favor and percentage of votes against are an average of the voting records from Top 10 asset managers and may differ from individual manager voting records.

VOTING METRIC	EXPLANATION/METHODOLOGY
Number of Votes Cast	Total number of eligible votes cast in reporting period
Votes Cast Against Management	Votes cast against management's recommendation
Votes in Favor of ESG Proposals	Votes in favor of proposals classified as environmental or social according to Insightia
U.S. Director Elections	Management proposals related to the election of board directors at U.S. domiciled companies
U.S. Say on Pay	Management proposals to ratify CEO and executive pay packages at U.S. domiciled companies
U.S. Social and Human SH Proposals	Shareholder proposals on social and human capital-related issues at U.S. domiciled companies
U.S. Environmental and Health SH Proposals	Shareholder proposals on environmental and health-related issues at U.S. domiciled companies
Non-U.S. Director Elections	Management proposals related to the election of board directors at non-U.S. domiciled companies
Non-U.S. Vote on Remuneration	Management proposals to ratify executive pay packages at non-U.S. domiciled companies
Non-U.S. Social and Human Rights SH Proposals	Shareholder proposals on social and human capital-related issues at non-U.S. domiciled companies
Non-U.S. Environmental and Health SH Proposals	Shareholder proposals on environmental and health-related issues at non-U.S. domiciled companies

Engagement Metrics

Engagement data is sourced from Calvert's internal engagement database. Engagement topics and objective classifications are determined by Calvert's engagement team. Engagements are reported for the previous 12 months as noted.

Statement on ESG Data Quality

Data used to generate Calvert's ESG metrics is sourced from third-party vendor data. Calvert regularly conducts vendor data quality assessments, which reveal that vendors' ESG data can be inaccurate. While Calvert engages its data vendors to improve data quality on an ongoing basis, it is ultimately not responsible for the quality and accuracy of third-party vendor data.

ESG data fidelity concerns may stem from vendors incorrectly or infrequently capturing company-reported ESG information. Data accuracy issues may also arise from implausible outputs from quantitative models used by data vendors to estimate ESG data in lieu of company-reported data or in the absence of it. Data-quality challenges may also emanate from issues with vendors' data feeds.

When companies fail to disclose decision useful ESG data, Calvert selectively engages with companies it believes to have the highest environmental impact. Calvert advocates for the disclosure of information relevant to investment decision-making and to a broader base of stakeholders.

Selection of ESG vendor KPI as-of-dates is determined by Calvert's assessment and confidence in vendor KPI data quality and data quality assurance regimes. The ESG metrics covered in this document represent:

1. Calvert's determinations of highest-confidence KPI data quality.
2. The highest-confidence data quality vendor KPI as-of-dates closest to the applicable quarter-end reporting period.

Considering the foregoing factors, Calvert selected the following KPI as-of-dates for the listed ESG data vendors:

- Sustainalytics: 01/03/2023
- Equileap: 01/03/2023
- MSCI: 01/03/2023
- Trucost: 06/03/2023
- FactSet: 01/04/2023

This is a marketing communication. Applications for shares in the funds should not be made without first consulting the current Prospectus and the Key Information Document (KID) or Key Investor Information Document (KIID), which are available in English and in the official language of your local jurisdiction at morganstanleyinvestmentfunds.com or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192.

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If the management company of the relevant Funds decides to terminate its arrangement for marketing these Funds in any EEA country where they are registered for sale, it will do so in accordance with the relevant UCITS rules.

RISK CONSIDERATIONS

This document supplements the information provided in the offering documents and marketing communications for the Funds mentioned.

There is no assurance that a Fund will achieve its investment objective. Funds are subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline.

The value of investments and the income from them may go down as well as up and you may not get back the amount you originally invested.

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