

State of Montana

Socially Responsible Investment (SRI) Products

Additional Information Regarding Calvert Equity and Parnassus Core Equity

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Socially Responsible Investing (SRI)

At the July 2014 committee meeting Buck Consultants presented a Socially Responsible Investment (SRI) search. The committee requested more detail into the investment objective, investment strategies, SRI criteria, and holdings of Calvert Equity A (CSIEX) and Parnassus Core Equity Institutional (PRILX).

Calvert Equity A

Investment Objective:

The Fund seeks growth of capital through investment in stocks believed to offer opportunities for potential capital appreciation and which meet the Fund's investment criteria, including financial, sustainability and social responsibility factors. This objective may be changed by the Fund's Board of Trustees without shareholder approval.

Principal Investment Strategies:

The Fund normally invests at least 80% of its net assets, including borrowings for investment purposes, in equity securities (common stock). The Fund will provide shareholders with at least 60 days' notice before changing this 80% policy. The Fund invests primarily in common stocks of U.S. large-cap companies. The Fund defines large-cap companies as those whose market capitalization falls within the range of the Standard & Poor's ("S&P") 500 Index. As of December 31, 2013, the market capitalization of the S&P 500 Index companies ranged from \$3.3 billion to \$504.4 billion with a weighted average level of \$120 billion. The Fund may also invest in mid-cap stocks and may invest up to 25% of its net assets in foreign stocks. The Subadvisor looks for established companies with a history of steady earnings growth. The Subadvisor selects companies based on its opinion that the company has the ability to sustain growth through high profitability and that the stock is favorably priced with respect to those growth expectations.

Socially Responsible Investing:

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social, and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, Indigenous Peoples' rights, community relations, product safety and impact, and corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company performance as well as to investment performance over time. The Fund has sustainable and socially responsible investment criteria that reflect specific types of companies in which the Fund seeks to invest and seeks to avoid investing.

Investments are first selected for financial soundness and then evaluated according to the Fund's sustainable and socially responsible investment criteria. Investments must be consistent with the Fund's current investment criteria, including financial, sustainability and social responsibility factors, the application of which is in the economic interest of the Fund and its shareholders.

Socially Responsible Investing (SRI)

Parnassus Core Equity Institutional

Investment Objective:

The Parnassus Core Equity Fund's objective is to achieve both capital appreciation and current income.

Principal Investment Strategies:

The Parnassus Core Equity Fund's objective is to achieve both capital appreciation and current income by investing primarily in a diversified portfolio of equity securities. Equity securities include common and preferred stock. Under normal circumstances, the Fund will invest a minimum of 80% of its net assets (plus borrowings for investment purposes) in equity securities. At least 75% of the Fund's total assets will normally be invested in equity securities that pay interest or dividends. The remaining 25% may be invested in non-dividend-paying equity securities, short-term instruments and money-market instruments (i.e., "cash" or cash equivalents). The Parnassus Core Equity Fund is primarily a large-cap fund, which means that it normally invests more than half of its net assets in large, well-established businesses. The Fund considers a large-cap company to be one that has a market capitalization that is greater than the median market capitalization of the Russell 1000 Index measured at the time of purchase. The Fund may invest to a lesser extent in small and mid-capitalization companies. The Fund invests mainly in domestic stocks of companies that are financially sound and have good prospects for the future, and to a lesser extent may also invest in foreign securities of similar companies. Using a value-oriented investment process, the Fund seeks to invest in equity securities that pay dividends, have the potential for capital appreciation and which the Fund's investment adviser (Adviser) believes have the capacity to raise dividends in the future. To determine a company's prospects, the Adviser reviews the company's income statement, cash flow statement and balance sheet, and analyzes the company's sustainable strategic advantage and management team. Upon initial investment, stocks must be trading below their intrinsic value, which means that the Adviser seeks to purchase stocks trading at discounts to the Adviser's assessment of the companies' estimated value. The Adviser also takes environmental, social and governance factors into account in making investment decisions. The Fund will sell a security if the Adviser believes a company's fundamentals will deteriorate or if it believes a company's stock has little potential for appreciation.

Socially Responsible Investing:

Exclusionary screens are applied to the investment universe to avoid investment in companies with negative impacts that outweigh any potential benefits from their business activities. We seek to invest in companies with positive performance on ESG criteria including: corporate governance and business ethics, employee benefits and corporate culture, stakeholder relations, product, customers and supply chain, and environmental impact. The fund does not invest in companies that derive significant revenue from the manufacture of, or involvement with, alcohol, tobacco, weapons, gambling, the generation of electricity from nuclear power, or business involvement with Sudan.

Our integrated approach to ESG analysis is demonstrated by a wide range of ESG issues for each company, including those affecting employees, customers, the supply chain, local communities, the environment and shareholders. ESG factors are considered at multiple points during the investment process and are considered both

Socially Responsible Investing (SRI)

from an ESG and financial perspective. All members of the investment team consider ESG factors and three investment team members exclusively analyze ESG factors.

At Parnassus Investments, part of our responsible investment philosophy means investing back into our community. Up to 2% of the Parnassus Funds' assets may be invested with community development financial institutions (CDFIs) that offer credit, capital, and financial services to individuals and organizations engaged in work that benefits low-income communities. We take into account ethical business practices and shareholders' interests when we vote our shares on corporate resolutions. Public companies and shareholder groups issue corporate resolutions to their shareholders for approval through what is known as a proxy ballot. The issues can range from executive compensation to environmental policy.

Socially Responsible Investing (SRI)

Holdings Comparison

Parnassus Core Equity			Calvert Equity					
Name	Ticker	Portfolio Weighting %	Name	Ticker	Portfolio Weighting %	Name	Ticker	Portfolio Weighting %
Cash & Cash Equivalents	-	5.24	Apple Inc	AAPL	4.78	Panera Bread Co Inc Class A	PNRA	0.87
Allergan Inc	AGN	4.70	Gilead Sciences Inc	GILD	4.52	Novartis AG ADR	NVS	0.83
Motorola Solutions Inc	MSI	3.97	CVS Health Corp	CVS	4.27	Microsoft Corp	MSFT	0.75
Apple Inc	AAPL	3.96	Qualcomm Inc	QCOM	3.43	Michael Kors Holdings Ltd	KORS	0.75
Applied Materials Inc	AMAT	3.81	Coca-Cola Co	KO	3.13	Estee Lauder Cos Inc Class A	EL	0.75
Procter & Gamble Co	PG	3.44	Costco Wholesale Corp	COST	2.85	Genesee & Wyoming Inc Class A	GWR	0.46
Pentair PLC	PNR	3.39	Wells Fargo & Co	WFC	2.83	Calvert Social Foundation Note	-	0.37
Qualcomm Inc	QCOM	3.38	Visa Inc Class A	V	2.74	Global Resource Options Ser D	-	0.06
Gilead Sciences Inc	GILD	3.13	Walt Disney Co	DIS	2.70	Seaf Global Sme Facility	-	0.05
eBay Inc	EBAY	2.81	Lowe's Companies Inc	LOW	2.65	Marrone Bio Innovations Inc	MBII	0.05
Mondelez International Inc Class A	MDLZ	2.81	Express Scripts	ESRX	2.61	Sustainable Job Fund	-	0.05
CVS Health Corp	CVS	2.75	Intercontinental Exchange Inc	ICE	2.57	Impact Ventures Ii Lp	-	0.05
Iron Mountain Inc	IRM	2.75	Starbucks Corp	SBUX	2.54	Renewable Energy Asia Fund Lp	-	0.04
Patterson Companies Inc	PDCO	2.64	Danaher Corp	DHR	2.51	Dbl Equity Fund Baef Ii Lp	-	0.03
Xylem Inc	XYL	2.61	American Express Co	AXP	2.28	Seaf Global Sme Facility	-	0.03
PepsiCo Inc	PEP	2.51	Perrigo Co PLC	PRGO	2.13	China Envionment Fund Iii Lp	-	0.03
National Oilwell Varco Inc	NOV	2.50	Allergan Inc	AGN	2.12	Leapfrog Investments Llc	-	0.03
Sysco Corp	SYU	2.50	eBay Inc	EBAY	2.09	Ignia Fund I Lp	-	0.02
Praxair Inc	PX	2.48	Google Inc Class A	GOOGL	2.04	Seaf Global Sme Facility Acpl	-	0.02
Thomson Reuters Corp	TRI	2.36	Cameron International Corp	CAM	2.04	Ivy Capital (Proprietary) Ltd	-	0.02
United Parcel Service Inc (UPS) Class B	UPS	2.29	Google Inc Class C	GOOG	2.00	Orteq Bioengineering Ltd	-	0.02
Novartis AG ADR	NVS	2.26	Bristol-Myers Squibb Company	BMJ	1.90	Core Innovations Capital I Lp	-	0.02
Shaw Communications Inc Class B	SJR.B	2.13	Ecolab Inc	ECL	1.89	New Markets Education Prtnr Lp	-	0.02
MDU Resources Group Inc	MDU	2.09	Priceline Group Inc	PCLN	1.88	Graduation Alliance	-	0.02
Waste Management Inc	WM	2.05	McDonald's Corp	MCD	1.69	Seaf Global Sme Tfpl	-	0.02
Charles Schwab Corp	SCHW	2.02	VMWare Inc	VMW	1.66	Westly Cap Partners Fund Ii Lp	-	0.02
MasterCard Inc Class A	MA	1.99	Fastenal Co	FAST	1.65	Presencelearning Inc	-	0.01
Expeditors International of Washington Inc	EXPD	1.93	Ross Stores Inc	ROST	1.65	First Analysis Private Equity	-	0.01
Verisk Analytics Inc	VRSK	1.89	Cigna Corp	CI	1.62	New Markets Venture Prtnrs Ii	-	0.01
Questar Corp	STR	1.88	Amazon.com Inc	AMZN	1.54	Sjf Ventures Iii Lp	-	0.01
Spectra Energy Corp	SE	1.74	Aon PLC	AON	1.51	Arborview Capital Parteners Lp	-	0.01
Accenture PLC Class A	ACN	1.71	SunTrust Banks Inc	STI	1.43	Presence Learning Series B Pre	-	0.01
Teleflex Inc	TFX	1.65	Eaton Corp PLC	ETN	1.43	Blackstone Clean Tech Prtns Lp	-	0.01
McCormick & Company Inc Non-Voting	MKC	1.64	Texas Instruments Inc	TXN	1.42	Excent Corporation	-	0.01
Compass Minerals International Inc	CMP	1.60	Biogen Idec Inc	BIIB	1.40	Coastal Ventures Iii Lp	-	0.01
Energen Corp	EGN	1.59	Nike Inc Class B	NKE	1.40	Excent Corporation Note	-	0.01
Perrigo Co PLC	PRGO	1.49	T. Rowe Price Group Inc	TROW	1.34	Shangri La Farms Series A	-	0.01
Northwest Natural Gas	NWN	0.91	B/E Aerospace Inc	BEAV	1.34	China Environment Fund	-	0.01
AGL Resources Inc	GAS	0.90	State Street Euro Dlr Time Dep	-	1.30	Orteq Bioengineering Note	-	0.01
Google Inc Class A	GOOGL	0.86	PepsiCo Inc	PEP	1.20	Seaf Globl Sme Facility Symbio	-	0.01
Google Inc Class C	GOOG	0.85	Comcast Corp Class A	CMCSA	1.13	Seaf India Intl Growth Fund	-	0.005
WD-40 Co	WDFC	0.81	Whole Foods Market Inc	WFM	1.09	2020 Genesystems	-	0.005
			Kansas City Southern Inc	KSU	1.06	Presencelearning Series A 2	-	0.005
			Nordstrom Inc	JWN	1.05	Digital Directions Intl Inc	-	0.004
			Praxair Inc	PX	1.05	One Earth Group Limited Ii	-	0.003
			Juniper Networks Inc	JNPR	1.01	Owl Ventures Lp	-	0.003
						Napo Pharmaceuticals Inc	-	0.003
						Adobe Capital Social Mezzanine	-	0.003
						Quantum Intech Participation	-	0.003
						One Earth Group Lt Conv Note	-	0.002
						Africa Renewable Energy	-	0.001
						Cylex	-	0.001
						Global Resource Options	-	0.000
						Village Laundry Services Inc	-	0.000
						Sword Diagnostics	-	0.000
						Seaf Gbl Sme Fac Sealed Envlp	-	0.000
						Envisionier Medical Tech Inc	-	0.000
						Napo Pharmaceuticals	-	0.000
						Graduation Alliance Wts	-	0.000
						Envisionier Med Tech Inc B	-	0.000
						Global Resource Options Inc	-	0.000
						Envisionier Med Tech Inc Wts	-	0.000
						Sword Diagnosti C Con Bge Note	-	0.000
						Global Resource Options Inc	-	0.000
						New Day Farms Conv Bridge Note	-	0.000
						New Day Farms Series B	-	0.000
						Sword Diagnostics Series C	-	0.000