

---

# State of Montana

## Socially Responsible Investing (SRI) Mutual Fund Search

*As of December 31, 2014*

Donald R. Eibsen, CFA  
Jonathan P. Slinger, CFA  
Buck Consultants  
1200 17<sup>th</sup> Street, Suite 1200  
Denver, CO 80202  
(720) 359-7700

### **SRI/ESG Approach for Considered Funds**

#### **Calvert Equity A**

Calvert performs in-depth financial and quantitative analyses of corporations to assess revenue, costs, profitability, and other key economic factors. At the same time, they evaluate each company's ESG profile, treating ESG with the same degree of significance as we would any other material information. Calvert's goal is to find opportunities in industries and companies that exhibit both strong fundamentals and positive ESG characteristics.

Calvert has one of the largest teams of sustainability research analysts in the U.S. Each analyst specializes by social issue and sector. In addition to evaluating companies for inclusion in the Calvert portfolios, the analysts are active in encouraging companies to improve their ESG performance through our shareholder advocacy strategies.

The Calvert Equity Portfolio is part of Calvert's Signature Strategies. These portfolios integrate two distinct research frameworks: a rigorous review of financial performance and a thorough assessment of ESG performance. This strategy includes ESG criteria in seven core areas: corporate governance and ethics, environment, the workplace, product safety and impact, human rights, Indigenous Peoples' rights, and community relations.

#### **Neuberger Berman Socially Responsive**

The team's research-driven bottom-up stock selection process and disciplined risk management emphasizes their goal to construct portfolios that maximize risk-adjusted returns and outperform appropriate benchmarks over a 3 – 5 year term. The SRI process, which integrates business, financial, investment and ESG criteria, is differentiated and performed in house. This stems from their belief that responsibility is a hallmark of quality.

The Fund focuses on companies that are responsive to environmental issues; are agents of favorable change in workplace policies (particularly for women and minorities); are committed to upholding universal human rights standards; and are good corporate citizens. In addition, the Fund avoids companies with products with negative public health implications.

### **SRI/ESG Approach for Considered Funds**

#### **Parnassus Core Equity Institutional**

All holdings must meet a minimum standard for responsible investment to be included in the portfolio. The firm's investment strategies seek to invest in companies that respect the environment, treat their employees well, and have effective equal employment opportunity policies and good community relations. Companies also must have strong corporate governance policies and ethical business dealings.

All members of the Parnassus Investments team are involved in implementing the firm's responsible investment policy, as it is integrated into the research process. The Parnassus Investments team also includes three full-time staff members who are exclusively dedicated to ESG research and engagement. The ESG analysts ensure that every investment meets the minimum standard for qualitative and exclusionary screening. In addition, the ESG analysts guide, record and monitor engagement activities, and initiate due diligence on community development investments.

#### **Vanguard FTSE Social Index Inv**

Vanguard FTSE Social Index Fund uses mainly exclusionary investing practices. The fund seeks to track the FTSE4Good US Index, which global index provider FTSE Group (FTSE) manages.

The social screening criteria are maintained by FTSE, which in turn uses research conducted by the Ethical Investment Research Service (EIRIS), a leading global provider of research into corporate, environmental, social, and governance performance. FTSE also considers Vanguard's best-practice standards for index construction when making determinations.

**Socially Responsible Investment Exclusions for Considered Funds**

	<b>Calvert</b>	<b>Neuberger Berman</b>	<b>Parnassus</b>	<b>Vanguard</b>
<b>Certain regional or country restrictions</b>	Sudan and Burma	-	Sudan	Sudan and Burma
<b>Fossil fuels (including hydraulic fracturing)</b>	-	-	-	-
<b>Weapons (including defense contractors)</b>	X	X	>10%	>10%
<b>Nuclear power</b>	X	X	>10%	X
<b>Tobacco</b>	X	X	>10%	X
<b>Alcohol</b>	X	X	>10%	X
<b>Gambling</b>	X	X	>10%	X
<b>Adult entertainment</b>	-	-	-	X
<b>Abortion/contraception</b>	-	-	-	-
<b>For-profit healthcare</b>	-	-	-	-
<b>Animal testing</b>	X	-	-	-
<b>Human rights issues (e.g. child labor)</b>	X	-	X	X
<b>Workplace policies (e.g. poor labor relations)</b>	X	X	X	X
<b>Community impact</b>	X	X	X	-
<b>Product integrity</b>	X	X	-	-
<b>Environmental issues</b>	X	X	X	X
<b>Corporate governance and ethics</b>	X	X	-	-
<b>Indigenous people's rights</b>	X	-	-	-
<b>Sustainable supply chains</b>	-	X	-	-

“X” indicates the fund screens on these criteria.

“>10%” allows for up to 10% of revenue to be derived from these criteria.

## Socially Responsible Investing (SRI)

### Net-of-Fee Performance

As of December 31, 2014

Fund/Benchmark	(periods longer than 1 year are annualized)					Standard Deviation		Expense
	3 Months	1 Year	3 Years	5 Years	10 Years	3 Years	5 Years	Ratio
<b>Calvert Equity A</b>	<b>5.92</b>	<b>11.04</b>	<b>18.71</b>	<b>13.90</b>	<b>7.60</b>	<b>10.07</b>	<b>13.57</b>	<b>1.23</b>
<b>Neuberger Berman Socially Rspns Inst</b>	<b>5.36</b>	<b>10.70</b>	<b>19.44</b>	<b>15.32</b>	<b>8.03</b>	<b>10.22</b>	<b>13.76</b>	<b>0.68</b>
S&P 500	4.93	13.69	20.41	15.45	7.67	9.10	13.00	-
<b>Vanguard FTSE Social Index Inv</b>	<b>6.82</b>	<b>15.75</b>	<b>23.13</b>	<b>16.21</b>	<b>6.61</b>	<b>9.83</b>	<b>13.63</b>	<b>0.27</b>
FTSE4Good US Select	6.93	16.06	23.44	16.50	6.83	9.86	13.68	-
Avg Large Growth	4.42	10.00	19.41	14.09	7.68	10.92	14.66	1.23
<b>Parnassus Core Equity Institutional</b>	<b>6.34</b>	<b>14.70</b>	<b>21.18</b>	<b>14.95</b>	<b>10.43</b>	<b>8.66</b>	<b>11.96</b>	<b>0.69</b>
S&P 500	4.93	13.69	20.41	15.45	7.67	9.10	13.00	-
Avg Large Blend	4.19	10.96	19.00	13.88	7.02	9.69	13.60	1.14

Green indicates fund outperformed both benchmarks

Blue indicates fund performed between benchmarks

Red indicates fund underperformed both benchmarks

Note: Vanguard FTSE Social Index Inv used the Calvert Social Index prior to December 16, 2005

## Socially Responsible Investing (SRI)

### Calendar Year Performance

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Calvert Equity A</b>	<b>11.04</b>	<b>30.42</b>	<b>15.52</b>	<b>-2.23</b>	<b>17.23</b>	<b>33.41</b>	<b>-35.53</b>	<b>9.94</b>	<b>10.16</b>	<b>4.16</b>
<b>Neuberger Berman Socially Rspns Inst</b>	<b>10.70</b>	<b>38.48</b>	<b>11.15</b>	<b>-2.72</b>	<b>23.06</b>	<b>30.83</b>	<b>-38.69</b>	<b>7.53</b>	<b>14.44</b>	<b>7.58</b>
S&P 500	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79	4.91
<b>Vanguard FTSE Social Index Inv</b>	<b>15.75</b>	<b>36.84</b>	<b>17.84</b>	<b>-0.78</b>	<b>14.43</b>	<b>35.12</b>	<b>-42.39</b>	<b>-2.31</b>	<b>13.09</b>	<b>4.10</b>
FTSE4Good US Select	16.06	37.19	18.13	-0.53	14.70	35.41	-42.33	-2.22	13.38	4.24
Avg Large Growth	10.00	33.92	15.34	-2.46	15.53	35.68	-40.67	13.35	7.05	6.71
<b>Parnassus Core Equity Institutional</b>	<b>14.70</b>	<b>34.15</b>	<b>15.64</b>	<b>3.38</b>	<b>9.10</b>	<b>28.96</b>	<b>-22.74</b>	<b>14.37</b>	<b>14.94</b>	<b>2.62</b>
S&P 500	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79	4.91
Avg Large Blend	10.96	31.50	14.96	-1.27	14.01	28.17	-37.79	6.16	14.17	5.88

Note: Vanguard FTSE Social Index Inv used the Calvert Social Index prior to December 16, 2005

## Socially Responsible Investing (SRI)

---

### Peer Group Rankings

As of December 31, 2014

(Percentile performance rankings within Morningstar Category)

Fund Name	Morningstar Category	3 Months	YTD	1 Year	3 Years	5 Years	10 Years
Calvert Equity A	Large Growth	18	40	40	66	56	51
Neuberger Berman Socially Rspns Inst	Large Growth	28	44	44	53	25	39
Vanguard FTSE Social Index Inv	Large Growth	5	4	4	3	8	67
Parnassus Core Equity Institutional	Large Blend	8	10	10	19	28	1

**Portfolio Turnover**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Calvert Equity A</b>	31	35	35	51	38	39	41	36	32	24
<b>Neuberger Berman Socially Rspns Inst</b>	21	23	16	35	36	41	20	28	35	36
<b>Vanguard FTSE Social Index Inv</b>	12	51	20	41	30	35	11	45	29	14
Avg Large Growth	94	93	91	107	118	85	80	74	73	73
<b>Parnassus Core Equity Institutional</b>	110	117	91	70	60	54	63	24	17	-
Avg Large Blend	58	61	71	79	79	71	66	64	58	61

### Equity Fund Analytics

Fund/Benchmark	5 - Year					10 Year Batting Average	
	Alpha	Beta	Tracking Error	Information Ratio	Upside Capture		Downside Capture
<b>Calvert Equity A</b>	<b>-1.36</b>	<b>1.00</b>	<b>3.71</b>	<b>-0.42</b>	<b>95</b>	<b>100</b>	<b>50</b>
<b>Neuberger Berman Socially Rspns Inst</b>	<b>-0.22</b>	<b>1.01</b>	<b>3.98</b>	<b>-0.03</b>	<b>102</b>	<b>105</b>	<b>51</b>
<b>Vanguard FTSE Social Index Inv</b>	<b>0.23</b>	<b>1.03</b>	<b>2.36</b>	<b>0.32</b>	<b>103</b>	<b>102</b>	<b>51</b>
Avg Large Growth	-2.04	1.07	4.62	-0.34	100	110	50
<b>Parnassus Core Equity Institutional</b>	<b>1.16</b>	<b>0.89</b>	<b>3.56</b>	<b>-0.14</b>	<b>92</b>	<b>88</b>	<b>53</b>
Avg Large Blend	-1.67	1.02	2.73	-1.27	98	107	43

Reported modern portfolio theory (MPT) statistics are calculated with respect to the S&P 500 Index for domestic equity funds.



### Equity Fund Characteristics

Fund Name	Geo Avg Market Cap \$MM	Total Number of Holdings	% Assets in Top 10 Holdings	Turnover Ratio
<b>Calvert Equity A</b>	<b>\$62,448</b>	<b>102</b>	<b>34</b>	<b>24</b>
<b>Neuberger Berman Socially Rspns Inst</b>	<b>\$31,652</b>	<b>40</b>	<b>43</b>	<b>36</b>
S&P 500	\$72,093	502	18	-
<b>Vanguard FTSE Social Index Inv</b>	<b>\$52,799</b>	<b>375</b>	<b>20</b>	<b>14</b>
Avg Large Growth	\$71,800	-	43	71
<b>Parnassus Core Equity Institutional</b>	<b>\$30,737</b>	<b>42</b>	<b>35</b>	<b>17</b>
S&P 500	\$72,093	502	18	-
Avg Large Blend	\$103,496	-	45	62

**Equity Funds Sector Allocation**

	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Healthcare	Financials	Information Technology	Telecom Services	Utilities
<b>Calvert Equity A</b>	4.1	2.3	8.8	20.5	14.6	15.4	12.9	21.5	0.0	0.0
<b>Neuberger Berman Socially Rspns Inst</b>	6.6	2.8	19.5	13.9	8.8	10.6	17.0	16.0	1.7	3.2
S&P 500	8.4	3.2	10.4	12.1	9.8	14.2	16.7	19.7	2.3	3.2
<b>Vanguard FTSE Social Index Inv</b>	3.5	2.3	5.2	13.4	7.6	23.8	24.8	18.1	0.2	1.1
Avg Large Growth	5.9	3.1	9.9	18.5	6.1	18.2	6.2	31.2	0.6	0.4
<b>Parnassus Core Equity Institutional</b>	6.1	4.1	14.7	4.7	17.2	17.4	5.5	24.5	0.0	5.9
S&P 500	8.4	3.2	10.4	12.1	9.8	14.2	16.7	19.7	2.3	3.2
Avg Large Blend	9.2	3.4	11.8	13.3	9.2	14.6	17.7	16.2	2.2	2.4

## Socially Responsible Investing (SRI)

---

### Fund Size (\$ 000's)

	2004	2005	2006	2007	2008
<b>Calvert Equity A</b>	1,076,793	1,234,091	1,299,807	1,340,093	842,023
<b>Neuberger Berman Socially Rspns Inst</b>	330,695	540,397	847,358	1,228,324	802,725
<b>Vanguard FTSE Social Index Inv</b>	349,836	422,928	569,871	620,002	344,724
<b>Parnassus Core Equity Institutional</b>	894,066	898,982	856,360	912,774	1,529,628

	2009	2010	2011	2012	2013
<b>Calvert Equity A</b>	1,188,822	1,497,258	2,171,782	2,411,047	2,974,660
<b>Neuberger Berman Socially Rspns Inst</b>	1,083,253	1,478,295	1,702,424	1,739,305	2,383,392
<b>Vanguard FTSE Social Index Inv</b>	440,032	523,523	510,143	621,653	984,045
<b>Parnassus Core Equity Institutional</b>	2,550,606	3,552,963	4,022,859	5,026,704	8,056,887

## Socially Responsible Investing (SRI)

### General Characteristics

Fund Name	Manager	Manager Tenure (Avg/Long)	Total Assets (\$MM)	Morningstar Rating	Morningstar Analyst Rating
Calvert Equity A	Richard B. England (2)*	7/9	2,961,240,071	★★	
Neuberger Berman Socially Rspns Inst	Arthur Moretti (4)*	10/14	2,414,394,570	★★★★	Silver
Vanguard FTSE Social Index Inv	Christine D. Franquin	3/3	1,473,497,094	★★★	Bronze
Parnassus Core Equity Institutional	Todd C. Ahlsten (2)*	8/14	11,241,252,320	★★★★	Silver

\* Longest tenured manager listed with total number of fund managers listed in parentheses

Fund Name	Expense Revenue				Redemption Fee	Primary Prospectus Benchmark
	Closed	Minimum	Ratio	Sharing		
Calvert Equity A	No	-	1.23	0.45	2% / 30 days*	S&P 500
Neuberger Berman Socially Rspns Inst	No	1,000,000	0.68	0.10	n/a	S&P 500
Vanguard FTSE Social Index Inv	No	-	0.27	0.00	n/a	FTSE4Good US Select
Parnassus Core Equity Institutional	No	-	0.69	0.10	n/a	S&P 500

Notes: Calvert Equity I shares are available with a 0.68% expense ratio and no revenue sharing (\$1 million minimum investment),

Neuberger Berman Socially Rspns R6 shares are available with a 0.62% expense ratio and no revenue sharing,

Vanguard FTSE Social Index Instl shares are available with a 0.16% expense ratio (\$5 million minimum investment),

Neuberger Berman Socially Rspns Inst \$1 million minimum will be waived on Great West platform,

\*Calvert Equity A redemption fee is not applicable on Great West platform.

**Summary**

<b>Fund</b>	<b>Advantages</b>	<b>Disadvantages</b>
<b>Calvert Equity A (current option)</b>	<ul style="list-style-type: none"> <li>• Long-tenured manager</li> </ul>	<ul style="list-style-type: none"> <li>• Performance trails benchmark (S&amp;P 500) over three, five, and ten years</li> <li>• High expense ratio</li> </ul>
<b>Neuberger Berman Socially Rspns Inst</b>	<ul style="list-style-type: none"> <li>• Strong long-term performance history</li> <li>• Experienced managers</li> </ul>	<ul style="list-style-type: none"> <li>• Concentrated portfolio</li> <li>• Underperformance over trailing three and five year periods</li> </ul>
<b>Vanguard FTSE Social Index Inv</b>	<ul style="list-style-type: none"> <li>• Reasonable fees</li> <li>• Diversified portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Can't expect outperformance</li> </ul>
<b>Parnassus Core Equity Institutional</b>	<ul style="list-style-type: none"> <li>• Very strong performance history</li> <li>• Long-tenured manager</li> <li>• Has performed well in down markets</li> <li>• Lower volatility of performance, despite more concentrated portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Concentrated portfolio</li> <li>• Allows up to 10% allocation to non-SRI investments such as, weapons, nuclear power, tobacco, alcohol, and gambling</li> </ul>

# Portfolio Holdings

## Calvert

Name	Portfolio		Name	Portfolio	
	Ticker	Weighting %		Ticker	Weighting %
CVS Health Corp	CVS	4.66	Renewable Energy Asia Fund Lp	-	0.06
Apple Inc	AAPL	4.28	Seaf Global Sme Facility	-	0.05
Gilead Sciences Inc	GILD	3.75	Global Resource Options Ser D	-	0.05
Coca-Cola Co	KO	3.19	Sustainable Job Fund	-	0.04
Costco Wholesale Corp	COST	3.18	Dbl Equity Fund Baef Ii Lp	-	0.03
Visa Inc Class A	V	3.16	China Enviroment Fund Iii Lp	-	0.03
Qualcomm Inc	QCOM	3.12	Ignia Fund I Lp	-	0.02
Lowe's Companies Inc	LOW	3.06	Seaf Global Sme Facility Acpl	-	0.02
Intercontinental Exchange Inc	ICE	2.92	Marrone Bio Innovations Inc	MBII	0.02
Wells Fargo & Co	WFC	2.85	Core Innovations Capital I Lp	-	0.02
Starbucks Corp	SBUX	2.80	Leapfrog Investments Llc	-	0.02
Express Scripts	ESRX	2.79	Ivy Capital (Proprietary) Ltd	-	0.02
Danaher Corp	DHR	2.60	Impact Ventures Ii Lp	-	0.02
American Express Co	AXP	2.56	New Markets Education Prtnr Lp	-	0.02
Comcast Corp Class A	CMCSA	2.28	Westly Cap Partners Fund Ii Lp	-	0.02
Walt Disney Co	DIS	2.27	Graduation Alliance	-	0.02
Google Inc Class C	GOOG	2.21	Orteq Bioengineering Ltd	-	0.02
Perrigo Co PLC	PRGO	2.18	Seaf Global Sme Tfpl	-	0.02
Bristol-Myers Squibb Company	BMJ	2.10	Presencelearning Inc	-	0.01
EOG Resources Inc	EOG	2.07	Seaf Global Sme Facility	-	0.01
Ross Stores Inc	ROST	1.90	First Analysis Private Equity	-	0.01
Google Inc Class A	GOOGL	1.83	New Markets Venture Prtnrs Ii	-	0.01
Nike Inc Class B	NKE	1.68	Arborview Capital Parteners Lp	-	0.01
Priceline Group Inc	PCLN	1.67	Sjf Ventures Iii Lp	-	0.01
Fastenal Co	FAST	1.56	Presence Learning Series B Pre	-	0.01
Texas Instruments Inc	TXN	1.53	Excent Corporation	-	0.01
Aon PLC	AON	1.52	Coastal Ventures Iii Lp	-	0.01
EMC Corp	EMC	1.51	Excent Corporation Note	-	0.01
Kansas City Southern Inc	KSU	1.50	Shangri La Farms Series A	-	0.01
State Street Euro Dlr Time Dep		1.44	2U Inc	TWOU	0.01
VMWare Inc	VMW	1.41	Orteq Bioengineering Note	-	0.01
Cigna Corp	CI	1.40	Seaf Globl Sme Facility Symbio	-	0.01
SunTrust Banks Inc	STI	1.40	2020 Genesystems	-	0.00
Cameron International Corp	CAM	1.34	Blackstone Clean Tech Prtns Lp	-	0.00
Eaton Corp PLC	ETN	1.31	Presencelearing Series A 2	-	0.00
T. Rowe Price Group Inc	TROW	1.31	China Enviroment Fund	-	0.00
Allergan Inc	AGN	1.27	Seaf India Intl Growth Fund	-	0.00
Ecolab Inc	ECL	1.26	Digital Directions Intl Inc	-	0.00
PepsiCo Inc	PEP	1.24	One Earth Group Limited Ii	-	0.00
Michael Kors Holdings Ltd	KORS	1.19	Napo Pharmaceuticals Inc	-	0.00
B/E Aerospace Inc	BEAV	1.17	Owl Ventures Lp	-	0.00
AMC Networks Inc Class A	AMCX	1.11	Adobe Capital Social Mezzanine	-	0.00
Nordstrom Inc	JWN	1.10	Africa Renewable Energy	-	0.00
Whole Foods Market Inc	WFM	1.09	Quantum Intech Participation	-	0.00
Cognizant Technology Solutions Corp Class A	CTSH	1.00	One Earth Group Lt Conv Note	-	0.00
Praxair Inc	PX	0.98	Cylex	-	0.00
Estee Lauder Cos Inc Class A	EL	0.93	Global Resource Options Inc	-	0.00
Panera Bread Co Inc Class A	PNRA	0.92	Graduation Alliance Wts	-	0.00
Juniper Networks Inc	JNPR	0.92	Sword Diagnostics Series C	-	0.00
Novartis AG ADR	NVS	0.84	New Day Farms Conv Bridge Note	-	0.00
Biogen Idec Inc	BIIB	0.66	Seaf Gbl Sme Fac Sealed Envlp	-	0.00
FMC Technologies Inc	FTI	0.55	Village Laundry Services Inc	-	0.00
Genesee & Wyoming Inc Class A	GWR	0.43	Global Resource Options	-	0.00
Calvert Social Foundation Note	-	0.36	New Day Farms Series B	-	0.00
			Sword Diagnosti C Con Bge Note	-	0.00
			Sword Diagnostics	-	0.00
			Global Resource Options Inc	-	0.00
			Sword Diagnostics Series C	-	0.00

## Portfolio Holdings

### Parnassus

		Portfolio	
Name	Ticker	Weighting %	
Cash & Cash Equivalents	-	5.09	
Applied Materials Inc	AMAT	3.88	
Pentair PLC	PNR	3.72	
Motorola Solutions Inc	MSI	3.71	
Allergan Inc	AGN	3.40	
Iron Mountain Inc	IRM	3.31	
Procter & Gamble Co	PG	3.31	
Qualcomm Inc	QCOM	3.22	
National Oilwell Varco Inc	NOV	3.06	
Google Inc Class C	GOOG	3.03	
CVS Health Corp	CVS	2.94	
eBay Inc	EBAY	2.77	
Gilead Sciences Inc	GILD	2.73	
Perrigo Co PLC	PRGO	2.67	
Mondelez International Inc Class A	MDLZ	2.63	
Xylem Inc	XYL	2.47	
Apple Inc	AAPL	2.39	
Praxair Inc	PX	2.35	
Thomson Reuters Corp	TRI	2.31	
Sysco Corp	SYX	2.30	
United Parcel Service Inc (UPS) Class B	UPS	2.29	
PepsiCo Inc	PEP	2.25	
Shaw Communications Inc Class B	SJR.B	2.08	
MasterCard Inc Class A	MA	2.05	
Charles Schwab Corp	SCHW	2.03	
Patterson Companies Inc	PDCO	2.00	
Expeditors International of Washington Inc	EXPD	1.99	
Novartis AG ADR	NVS	1.96	
Waste Management Inc	WM	1.95	
Verisk Analytics Inc	VRSK	1.92	
Questar Corp	STR	1.91	
Actavis PLC	ACT	1.84	
MDU Resources Group Inc	MDU	1.83	
Accenture PLC Class A	ACN	1.66	
Energen Corp	EGN	1.65	
McCormick & Company Inc Non-Voting	MKC	1.61	
Compass Minerals International Inc	CMP	1.46	
Spectra Energy Corp	SE	1.42	
AGL Resources Inc	GAS	1.06	
Google Inc Class A	GOOGL	1.03	
Northwest Natural Gas	NWN	0.99	
WD-40 Co	WDFC	0.90	
Teleflex Inc	TFX	0.84	

# Portfolio Holdings

## Neuberger Berman

Name	Ticker	Portfolio Weighting %
Texas Instruments Inc	TXN	5.17
Newell Rubbermaid Inc	NWL	4.95
TJX Companies	TJX	4.83
American Express Co	AXP	4.71
Progressive Corp	PGR	4.40
Danaher Corp	DHR	4.33
Intercontinental Exchange Inc	ICE	3.97
Robert Half International Inc	RHI	3.62
eBay Inc	EBAY	3.57
U.S. Bancorp	USB	3.54
Intuit Inc	INTU	3.31
3M Co	MMM	3.24
Unilever NV ADR	UN	3.19
Becton Dickinson & Co	BDX	3.15
Northeast Utilities	NU	3.12
W W Grainger Inc	GWV	2.95
Roche Holding AG Dividend Right Cert.	ROG	2.87
Schlumberger NV	SLB	2.86
Costco Wholesale Corp	COST	2.84
Noble Energy Inc	NBL	2.69
JM Smucker Co	SJM	2.58
Abbott Laboratories	ABT	2.39
Alliance Data Systems Corp	ADS	2.21
BorgWarner Inc	BWA	2.13
State Str Instl Invt Tr Treas Mmkt Fd Inst	-	2.07
Now Inc	DNOW	1.98
Praxair Inc	PX	1.94
Sanofi ADR	SNY	1.91
Ryanair Holdings PLC ADR	RYAAY	1.75
O'Reilly Automotive Inc	ORLY	1.69
tw telecom inc	TWTC	1.62
MasterCard Inc Class A	MA	1.45
Herman Miller Inc	MLHR	1.19
Cimarex Energy Co	XEC	0.88
Novozymes A/S Class B	NZYM B	0.85
Premier Inc Class A	PINC	0.05
Self Help Credit 0.25 10/16/2014	-	0.01
Self Help Federal Credit Union	-	0.01
Carver Federal Savings Bank Self Help	-	0.00
Usd	-	0.00

# Portfolio Holdings

## Vanguard

		Portfolio		Portfolio	
Name	Ticker	Weighting %	Name	Ticker	Weighting %
Johnson & Johnson	JNJ	2.85	Anadarko Petroleum Corp	APC	0.38
Wells Fargo & Co	WFC	2.73	Baxter International Inc	BAX	0.38
Procter & Gamble Co	PG	2.36	Prudential Financial Inc	PRU	0.37
JPMorgan Chase & Co	JPM	2.17	Williams Companies Inc	WMB	0.37
Pfizer Inc	PFE	1.88	Alexion Pharmaceuticals Inc	ALXN	0.37
Intel Corp	INTC	1.73	Micron Technology Inc	MU	0.37
Bank of America Corporation	BAC	1.73	ACE Ltd	ACE	0.37
Merck & Co Inc	MRK	1.65	Praxair Inc	PX	0.36
Citigroup Inc	C	1.58	Adobe Systems Inc	ADBE	0.35
Walt Disney Co	DIS	1.54	CSX Corp	CSX	0.35
Google Inc Class A	GOOGL	1.49	Kraft Foods Group Inc	KRFT	0.34
Google Inc Class C	GOOG	1.47	Travelers Companies Inc	TRV	0.34
PepsiCo Inc	PEP	1.45	Anthem Inc	ANTM	0.34
Oracle Corporation	ORCL	1.39	Norfolk Southern Corp	NSC	0.33
Home Depot Inc	HD	1.28	Illinois Tool Works Inc	ITW	0.32
Visa Inc Class A	V	1.24	Salesforce.com Inc	CRM	0.32
Amgen Inc	AMGN	1.20	Johnson Controls Inc	JCI	0.32
Qualcomm Inc	QCOM	1.18	Regeneron Pharmaceuticals Inc	REGN	0.31
AbbVie Inc	ABBV	1.06	Cognizant Technology Solutions Corp C	CTSH	0.31
Union Pacific Corp	UNP	1.01	State Street Corp	STT	0.31
Bristol-Myers Squibb Company	BMJ	0.94	General Mills Inc	GIS	0.31
UnitedHealth Group Inc	UNH	0.92	Charles Schwab Corp	SCHW	0.30
Celgene Corp	CELG	0.87	Aetna Inc	AET	0.30
MasterCard Inc Class A	MA	0.84	Marsh & McLennan Companies Inc	MMC	0.30
American Express Co	AXP	0.81	Air Products & Chemicals Inc	APD	0.29
U.S. Bancorp	USB	0.76	Discover Financial Services	DFS	0.29
American International Group Inc	AIG	0.75	Allstate Corp	ALL	0.28
Hewlett-Packard Co	HPQ	0.70	Ecolab Inc	ECL	0.28
Time Warner Inc	TWX	0.70	Applied Materials Inc	AMAT	0.28
Biogen Idec Inc	BIIB	0.70	Kinder Morgan, Inc.	KMI	0.28
Medtronic Inc	MDT	0.69	Deere & Co	DE	0.28
Actavis PLC	ACT	0.68	CMT Market Liquidity Rate	-	0.27
Eli Lilly and Co	LLY	0.65	Viacom Inc Class B	VIAB	0.27
Abbott Laboratories	ABT	0.64	Vertex Pharmaceuticals Inc	VRTX	0.27
Allergan Inc	AGN	0.63	Cardinal Health Inc	CAH	0.27
Lowe's Companies Inc	LOW	0.61	Public Storage	PSA	0.26
Colgate-Palmolive Co	CL	0.61	Corning Inc	GLW	0.26
Occidental Petroleum Corp	OXY	0.60	Cigna Corp	CI	0.26
EMC Corp	EMC	0.60	CME Group Inc Class A	CME	0.26
Express Scripts	ESRX	0.59	BB&T Corp	BBT	0.26
Priceline Group Inc	PCLN	0.58	Aon PLC	AON	0.26
Ford Motor Co	F	0.57	Becton Dickinson & Co	BDX	0.26
Starbucks Corp	SBUX	0.56	Stryker Corporation	SYK	0.25
Texas Instruments Inc	TXN	0.56	Aflac Inc	AFL	0.25
Nike Inc Class B	NKE	0.54	Intercontinental Exchange Inc	ICE	0.25
Thermo Fisher Scientific Inc	TMO	0.49	VF Corp	VFC	0.25
MetLife Inc	MET	0.48	McGraw Hill Financial Inc	MHFI	0.24
Morgan Stanley	MS	0.47	Equity Residential	EQR	0.24
McKesson Corp	MCK	0.47	Spectra Energy Corp	SE	0.24
FedEx Corp	FDX	0.46	Chubb Corp	CB	0.24
PNC Financial Services Group Inc	PNC	0.45	Intuit Inc	INTU	0.24
TJX Companies	TJX	0.44	Ameriprise Financial Inc	AMP	0.24
Covidien PLC	COV	0.44	Devon Energy Corp	DVN	0.23
Bank of New York Mellon Corp	BK	0.44	PACCAR Inc	PCAR	0.23
Kimberly-Clark Corp	KMB	0.42	Avago Technologies Ltd	AVGO	0.23
General Motors Co	GM	0.42	Macy's Inc	M	0.22
Capital One Financial Corp	COF	0.40	SanDisk Corp	SNDK	0.22
American Tower Corp	AMT	0.40	Broadcom Corp	BRCM	0.22
Automatic Data Processing	ADP	0.40	Franklin Resources Inc	BEN	0.22
			HCA Holdings Inc	HCA	0.22
			Western Digital Corp	WDC	0.22
			Waste Management Inc	WM	0.22
			Health Care REIT, Inc.	HCN	0.22
			Delphi Automotive PLC	DLPH	0.21
			Mylan Inc	MYL	0.21
			Moody's Corporation	MCO	0.21

# Portfolio Holdings

## Vanguard

Vanguard					
Name	Portfolio			Portfolio	
	Ticker	Weighting %	Name	Ticker	Weighting %
Humana Inc	HUM	0.20	Dollar Tree Stores Inc	DLTR	0.13
AvalonBay Communities Inc	AVB	0.20	Regions Financial Corp	RF	0.13
T. Rowe Price Group Inc	TROW	0.20	EQT Corp	EQT	0.13
Prologis Inc	PLD	0.20	Edwards Lifesciences Corp	EW	0.13
Ventas Inc	VTR	0.20	Chesapeake Energy Corp	CHK	0.13
Mead Johnson Nutrition Co	MJN	0.20	Lam Research Corp	LRCX	0.13
SunTrust Banks Inc	STI	0.20	General Growth Properties Inc	GGP	0.13
Seagate Technology PLC	STX	0.20	Bunge Ltd	BG	0.13
Chipotle Mexican Grill Inc Class A	CMG	0.20	Clorox Co	CLX	0.13
AmerisourceBergen Corp	ABC	0.20	Electronic Arts Inc	EA	0.13
HCP Inc	HCP	0.20	NiSource Inc	NI	0.13
Alcoa Inc	AA	0.19	Kansas City Southern Inc	KSU	0.13
Perrigo Co PLC	PRGO	0.19	BorgWarner Inc	BWA	0.12
Boston Properties Inc	BXP	0.19	Nielsen NV	NLSN	0.12
Sherwin-Williams Co	SHW	0.19	CarMax Inc	KMX	0.12
Marathon Oil Corp	MRO	0.19	Loews Corp	L	0.12
Ross Stores Inc	ROST	0.19	CR Bard Inc	BCR	0.12
Omnicom Group Inc	OMC	0.19	Pentair PLC	PNR	0.12
NXP Semiconductors NV	NXPI	0.19	Equinix Inc	EQIX	0.12
St Jude Medical Inc	STJ	0.19	Xilinx Inc	XLNX	0.12
Cerner Corp	CERN	0.18	CareFusion Corp	CFN	0.11
O'Reilly Automotive Inc	ORLY	0.18	KeyCorp	KEY	0.11
Zimmer Holdings Inc	ZMH	0.18	Red Hat Inc	RHT	0.11
AutoZone Inc	AZO	0.18	Henry Schein Inc	HSIC	0.11
Dollar General Corp	DG	0.18	Altera Corp	ALTR	0.11
Intuitive Surgical Inc	ISRG	0.18	Kohl's Corp	KSS	0.11
Weyerhaeuser Co	WY	0.18	KLA-Tencor Corp	KLAC	0.11
Hartford Financial Services Group Inc	HIG	0.18	TRW Automotive Holdings Corp	TRW	0.11
Consolidated Edison Inc	ED	0.18	Ralph Lauren Corp Class A	RL	0.11
Symantec Corp	SYMC	0.17	Southwestern Energy Co	SWN	0.11
Keurig Green Mountain Inc	GMCR	0.17	Wisconsin Energy Corp	WEC	0.11
Fiserv Inc	FISV	0.17	FMC Technologies Inc	FTI	0.11
Noble Energy Inc	NBL	0.17	ONEOK Inc	OKE	0.11
L Brands Inc	LB	0.17	Check Point Software Technologies Ltc	CHKP	0.11
Host Hotels & Resorts Inc	HST	0.17	Range Resources Corp	RRC	0.11
Ingersoll-Rand PLC	IR	0.16	Macerich Co	MAC	0.11
Boston Scientific Inc	BSX	0.16	Akamai Technologies Inc	AKAM	0.11
Fifth Third Bancorp	FITB	0.16	CH Robinson Worldwide Inc	CHRW	0.11
Estee Lauder Cos Inc Class A	EL	0.16	Best Buy Co Inc	BBY	0.10
DaVita HealthCare Partners Inc	DVA	0.16	Annaly Capital Management Inc	NLY	0.10
The Hershey Co	HSY	0.16	NVIDIA Corp	NVDA	0.10
Kellogg Co	K	0.16	Citrix Systems Inc	CTXS	0.10
Sigma-Aldrich Corp	SIAL	0.16	Coca-Cola Enterprises Inc	CCE	0.10
Xerox Corporation	XRX	0.15	Mattel Inc	MAT	0.10
Northern Trust Corp	NTRS	0.15	Hertz Global Holdings Inc	HTZ	0.10
Northeast Utilities	NU	0.15	CA Inc	CA	0.10
Rockwell Automation Inc	ROK	0.15	Kimco Realty Corp	KIM	0.10
Genuine Parts Co	GPC	0.15	Realty Income Corp	O	0.10
Principal Financial Group	PFG	0.15	CenterPoint Energy Inc	CNP	0.10
Mosaic Co	MOS	0.15	Church & Dwight Company, Inc.	CHD	0.10
ConAgra Foods Inc	CAG	0.15	Coach Inc	COH	0.10
Michael Kors Holdings Ltd	KORS	0.15	JM Smucker Co	SJM	0.10
Harley-Davidson Inc	HOG	0.15	Newell Rubbermaid Inc	NWL	0.10
Progressive Corp	PGR	0.14	Hospira Inc	HSP	0.10
Bed Bath & Beyond Inc	BBBY	0.14	PVH Corp	PVH	0.10
Lincoln National Corp	LNC	0.14	Gap Inc	GPS	0.10
Stanley Black & Decker Inc	SWK	0.14	Juniper Networks Inc	JNPR	0.10
M&T Bank Corp	MTB	0.14			
W W Grainger Inc	GWG	0.14			
Dr Pepper Snapple Group Inc	DPS	0.14			
Whirlpool Corp	WHR	0.14			
Agilent Technologies Inc	A	0.14			
Autodesk Inc	ADSK	0.14			

# Portfolio Holdings

## Vanguard

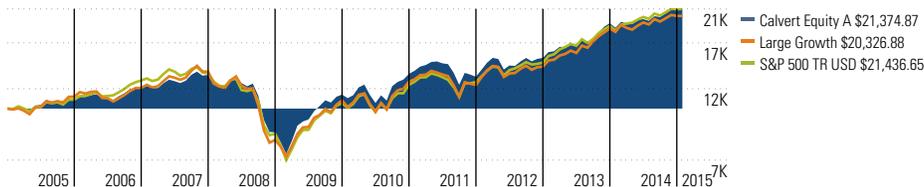
Name	Portfolio		Name	Portfolio	
	Ticker	Weighting %		Ticker	Weighting %
Western Union Co	WU	0.09	PulteGroup Inc	PHM	0.06
Equifax Inc	EFX	0.09	Synopsys Inc	SNPS	0.06
Universal Health Services Inc Class B	UHS	0.09	Torchmark Corp	TMK	0.06
Discovery Communications Inc	DISCK	0.09	Duke Realty Corp	DRE	0.06
F5 Networks Inc	FFIV	0.09	VMWare Inc	VMW	0.06
American Water Works Co Inc	AWK	0.09	Flextronics International Ltd	FLEX	0.06
Quest Diagnostics Inc	DGX	0.09	Airgas Inc	ARG	0.06
Digital Realty Trust Inc	DLR	0.09	Scripps Networks Interactive Inc	SNI	0.06
XL Group PLC	XL	0.09	The ADT Corp	ADT	0.06
CBRE Group Inc	CBG	0.09	CDK Global Inc	CDK	0.06
Mohawk Industries Inc	MHK	0.09	Windstream Holdings, Inc.	WIN	0.06
H&R Block Inc	HRB	0.09	Avnet Inc	AVT	0.06
Waters Corp	WAT	0.09	Legg Mason Inc	LM	0.06
Autoliv Inc	ALV	0.09	Keysight Technologies Inc	KEYS	0.06
Varian Medical Systems Inc	VAR	0.09	PartnerRe Ltd	PRE	0.06
Expeditors International of Washington Inc	EXPD	0.09	Leggett & Platt Inc	LEG	0.06
CMS Energy Corp	CMS	0.09	Arrow Electronics Inc	ARW	0.06
Staples Inc	SPLS	0.09	Zions Bancorp	ZION	0.05
CIT Group Inc	CIT	0.09	Toll Brothers Inc	TOL	0.05
Markel Corporation	MKL	0.09	Regency Centers Corp	REG	0.05
Consol Energy Inc	CNX	0.09	Broadridge Financial Solutions	BR	0.05
Laboratory Corp of America Hldgs	LH	0.09	WR Berkley Corp	WRB	0.05
McCormick & Company Inc Non-Voting	MKC	0.08	ManpowerGroup	MAN	0.05
Ashland Inc	ASH	0.08	Allegion PLC	ALLE	0.05
Navient Corp	NAVI	0.08	Liberty Property Trust	LPT	0.05
Vulcan Materials Co	VMC	0.08	Discovery Communications Inc Class A	DISCA	0.05
Interpublic Group of Companies, Inc	IPG	0.08	Ryder System Inc	R	0.05
Maxim Integrated Products Inc	MXIM	0.08	Lululemon Athletica Inc	LULU	0.05
Unum Group	UNM	0.08	Axis Capital Holdings Ltd	AXS	0.05
Sealed Air Corp	SEE	0.08	Liberty Ventures Class A	LVNTA	0.05
Comerica Inc	CMA	0.08	Assurant Inc	AIZ	0.05
Foot Locker Inc	FL	0.08	MDU Resources Group Inc	MDU	0.05
International Flavors & Fragrances	IFF	0.08	Noble Corp PLC	NE	0.04
Huntington Bancshares Inc	HBAN	0.08	Dun & Bradstreet Corp	DNB	0.04
IHS Inc Class A	IHS	0.08	TECO Energy Inc	TE	0.04
Campbell Soup Co	CPB	0.08	Avery Dennison Corp	AVY	0.04
American Capital Agency Corp	AGNC	0.08	People's United Financial Inc	PBCT	0.04
Lennar Corp	LEN	0.08	Genworth Financial Inc	GNW	0.04
Energizer Holdings Inc	ENR	0.08	Owens-Illinois Inc	OI	0.04
Tractor Supply Co	TSCO	0.08	Sprint Corp	S	0.04
EnSCO PLC Class A	ESV	0.08	Questar Corp	STR	0.04
DENTSPLY International Inc	XRAY	0.07	Avon Products Inc	AVP	0.04
PetSmart Inc	PETM	0.07	SLM Corp	SLM	0.04
JB Hunt Transport Services Inc	JBHT	0.07	Patterson Companies Inc	PDCO	0.04
Arthur J Gallagher & Co	AJG	0.07	Weingarten Realty Investors	WRI	0.04
Willis Group Holdings PLC	WSH	0.07	Bemis Co Inc	BMS	0.04
VeriSign Inc	VRSN	0.07	Herbalife Ltd	HLF	0.04
Darden Restaurants Inc	DRI	0.07	Commerce Bancshares Inc	CBSH	0.04
Alleghany Corp	Y	0.07	Jabil Circuit Inc	JBL	0.04
MeadWestvaco Corp	MWV	0.07	RenaissanceRe Holdings Ltd	RNR	0.04
TD Ameritrade Holding Corp	AMTD	0.07	Newfield Exploration Co	NFX	0.04
Robert Half International Inc	RHI	0.07	QEP Resources Inc	QEP	0.03
Harman International Industries Inc	HAR	0.07	DST Systems, Inc.	DST	0.03
Plum Creek Timber Co Inc	PCL	0.07	Rayonier Inc	RYN	0.03
Gannett Co Inc	GCI	0.07	Urban Outfitters Inc	URBN	0.03
Trimble Navigation Ltd	TRMB	0.07	Denbury Resources Inc	DNR	0.03
Hormel Foods Corp	HLR	0.07	WPX Energy Inc Class A	WPX	0.03
FMC Corporation	FMC	0.07	Rowan Companies PLC	RDC	0.03
Cintas Corp	CTAS	0.07	AutoNation Inc	AN	0.02
Cincinnati Financial Corp	CINF	0.07	Halyard Health Inc	HYH	0.02
Fortune Brands Home & Security Inc	FBHS	0.07	Liberty TripAdvisor Holdings Inc Class A	LTRPA	0.02
Frontier Communications Corp Class B	FTR	0.07	Seventy Seven Energy Inc	SSE	0.00
Xylem Inc	XYL	0.07	Paragon Offshore PLC	PGN	0.00
Iron Mountain Inc	IRM	0.07			
Teradata Corp	TDC	0.07			
Alliant Energy Corp	LNT	0.07			
Pepco Holdings Inc	POM	0.07			

# Calvert Equity A CSIEX

Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
48.48	↑0.88   1.85	0.03	2.9	Open	\$2,000	4.75	1.14%	★★	Large Growth	Large Growth

## Growth of 10,000 01-08-2005 - 01-08-2015



## 3 Year Average Morningstar Risk Measures



## Investment Strategy

The investment seeks growth of capital. The fund normally invests at least 80% of net assets, including borrowings for investment purposes, in equity securities (common stock). It invests primarily in common stocks of U.S. large-cap companies. The managers define large-cap companies as those whose market capitalization falls within the range of the S&P 500 Index. It may also invest in mid-cap stocks and may invest up to 25% of its net assets in foreign stocks.

## Pillars

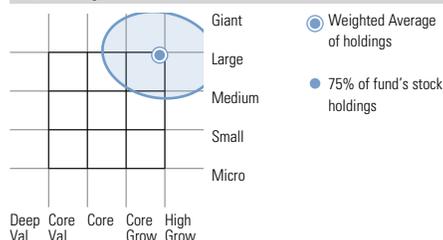
Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—
Rating	—	—

## Performance 01-08-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,014	10,054	11,218	16,526	18,693	21,375
Fund	0.14	0.54	12.18	18.23	13.33	7.89
+/- S&P 500 TR USD	-0.07	0.29	-2.36	-1.61	-1.55	-0.03
+/- Category	0.12	0.46	1.81	-0.48	-0.21	-0.09
% Rank in Cat	39	20	32	63	57	51
# of Funds in Cat	1,772	1,764	1,709	1,531	1,323	908

\* Currency is displayed in USD

## Style Map



## Top Holdings 11-30-2014

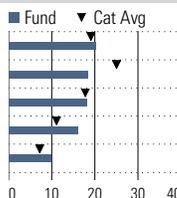
	Weight %	Last Price	Day Chg %	52 Week Range
CVS Health Corp	4.66	97.36 USD	-0.63 ↓	64.95 - 98.62
Apple Inc	4.29	110.69 USD	-1.05 ↓	70.51 - 119.75
Gilead Sciences Inc	3.75	102.12 USD	-0.19 ↓	63.50 - 116.83
Coca-Cola Co	3.19	43.24 USD	-0.60 ↓	36.89 - 44.87
Costco Wholesale Corp	3.18	143.82 USD	-1.15 ↓	109.50 - 146.82

% Assets in Top 5 Holdings 19.06

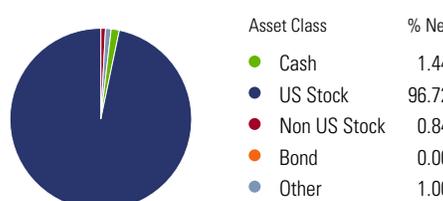
⊕ Increase ⊖ Decrease ☆ New to Portfolio

## Top Sectors 11-30-2014

	Fund	3 Yr High	3 Yr Low	Cat Avg
Healthcare	20.14	20.14	12.32	18.17
Technology	18.26	28.59	18.26	24.11
Consumer Cyclical	18.13	20.76	12.73	16.87
Financial Services	16.12	16.12	11.82	10.18
Consumer Defensive	9.87	11.74	9.87	6.30



## Asset Allocation



## Management

Manager	Start Date
Richard B. England	07-31-2006
Paul J. Marshall	03-27-2009

## Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-29-2014	49.04	0.0000	0.0000	0.0000	0.0200	0.0200
12-11-2014	47.78	4.6600	0.1500	0.0000	0.0000	4.8200
12-26-2013	47.77	0.0000	0.0000	0.0000	0.0500	0.0500
12-05-2013	46.25	1.9900	0.0000	0.0000	0.0000	1.9900
12-27-2012	38.21	0.0000	0.0000	0.0000	0.0100	0.0100

# Calvert Equity A CSIEX

## Analysis

### Morningstar's Take

Morningstar Analyst Rating —

### Morningstar Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
  Neutral
  Negative

### Fund Performance

	Total Return %	+/- Category
YTD	—	—

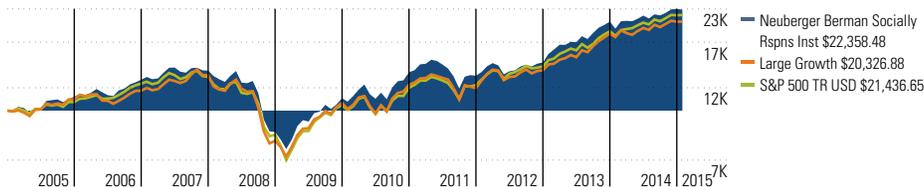
We do not currently publish an Analyst Report for this company.

# Neuberger Berman Socially Rspns Inst NBSLX

Morningstar Analyst Rating  
Silver

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
34.37	↑0.51   1.51	0.85	2.4	Open	\$1	None	0.68%	★★★★	Large Growth	Large Growth

## Growth of 10,000 01-08-2005 - 01-08-2015



## Investment Strategy

The investment seeks long-term growth of capital by investing primarily in securities of companies that meet the fund's financial criteria and social policy. The fund invests primarily in common stocks of mid- to large-capitalization companies that meet the fund's social policy. It seeks to reduce risk by investing across many different industries. The Portfolio Managers employ a research driven and valuation sensitive approach to stock selection, with a long term perspective. Although the fund invests primarily in domestic stocks, it may also invest in stocks of foreign companies.

## Performance 01-08-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	9,936	9,986	11,095	16,793	19,837	22,358
Fund	-0.64	-0.14	10.95	18.86	14.68	8.38
+/- S&P 500 TR USD	-0.85	-0.39	-3.60	-0.97	-0.20	0.46
+/- Category	-0.66	-0.21	0.58	0.16	1.14	0.40
% Rank in Cat	90	65	46	51	27	—
# of Funds in Cat	1,772	1,764	1,709	1,531	1,323	908

\* Currency is displayed in USD

## Top Holdings 10-31-2014

	Weight %	Last Price	Day Chg %	52 Week Range
Texas Instruments Inc	5.17	53.19 USD	-0.71 ↓	40.33 - 55.99
⊖ Newell Rubbermaid Inc	4.95	37.36 USD	-1.28 ↓	28.27 - 38.73
TJX Companies	4.83	67.17 USD	-2.11 ↓	51.91 - 69.84
American Express Co	4.71	90.39 USD	-1.28 ↓	78.41 - 96.24
Progressive Corp	4.40	26.91 USD	-2.11 ↓	22.53 - 27.51
% Assets in Top 5 Holdings	24.05			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

## Top Sectors 10-31-2014

	Fund	3 Yr High	3 Yr Low	Cat Avg	
🏭 Industrials	19.70	19.70	16.01	11.34	Bar chart showing Fund vs Cat Avg
🏦 Financial Services	18.46	18.46	17.89	10.19	
🛒 Consumer Defensive	13.86	16.11	13.86	6.29	
🛒 Consumer Cyclical	12.47	12.47	7.79	16.85	
🏥 Healthcare	11.41	11.64	10.29	18.15	

## Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-15-2014	33.56	3.4800	0.1200	0.0000	0.3300	3.9200
12-16-2013	33.67	2.0600	0.1500	0.0000	0.3500	2.5600
12-14-2012	26.82	0.0000	0.0000	0.0000	0.2300	0.2300
12-16-2011	23.91	0.0000	0.0000	0.0000	0.1600	0.1600
12-17-2010	25.39	0.0000	0.0000	0.0000	0.0800	0.0800

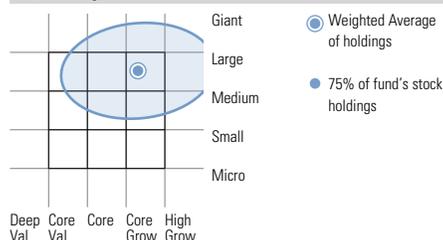
## 3 Year Average Morningstar Risk Measures



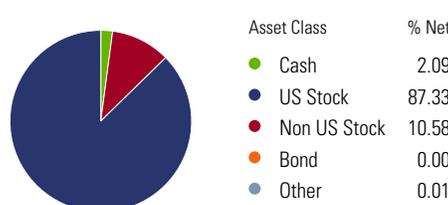
## Pillars

Process	⊕ Positive
Performance	⊕ Positive
People	⊕ Positive
Parent	⊕ Positive
Price	⊕ Positive
Rating	★★★★ Silver

## Style Map



## Asset Allocation



## Management

	Start Date
Arthur Moretti	06-18-2001
Ingrid S. Dyott	12-19-2003
Sajjad S. Ladiwala	12-31-2003
Mamundi Subhas	12-31-2008

# Neuberger Berman Socially Rspns Inst NBSLX

## Analysis

### This is a solid core fund for socially conscious investors, despite a recent slump.

By David Kathman, CFA 11/20/2014

Neuberger Berman Socially Responsive is a fine socially conscious core fund.

This fund hasn't looked great in 2014, trailing the large-growth category for the year to date through mid-November. This would be the third year out of the past four in which the fund has lagged the category, but there's no reason to panic. It has an excellent long-term track record under lead manager Arthur Moretti and his team, with the same disciplined strategy they use at sibling Neuberger Berman Guardian NGUAX supplemented with social screens.

Moretti and comanagers Ingrid Dyott, Sajjad Ladiwala, and Mamundi Subhas maintain a concentrated portfolio of 30 to 40 stocks. As in Guardian, they focus on industry leaders with good growth potential but reasonable price tags, preferably those with estimated upside potential of 15% to 25% over the next three to five years. In this fund they also avoid stocks that get significant revenue from alcohol, tobacco, weapons, nuclear power, or gambling, and favor those with good community, environmental, and workplace records. Because Moretti likes to see those features anyway, the two portfolios are usually very similar; as of Sept. 30, 2014, this fund's top 10 holdings were in both funds, as were 13 of Guardian's top 15.

Lately Moretti has been concerned about the possibility of another financial meltdown or runaway inflation, so he has emphasized firms capable of growing organically and generating good free cash flows. He has also avoided those that are cyclical, highly leveraged, or vulnerable to regulatory or policy changes, including big banks and other rate-sensitive financials. The lack of such stocks was a major reason for the fund's poor performance in 2011-12, and it has been a similar story in 2014, when REITs and utilities (mostly absent from this fund) have been among the best performers.

Despite this recent blip, the fund has trounced its peer group over Moretti's tenure, with below-average volatility. It's a fine option for socially conscious investors, but it works as a core fund for anybody, especially as it's cheaper than Guardian.

#### Process Pillar: Positive

Lead manager Arthur Moretti and his three comanagers apply the same strategy here as at Neuberger Berman Guardian, with the addition of social screens. Those screens prohibit alcohol, tobacco, weapons, nuclear power, or gambling stocks and favor companies with good community, workplace, and environmental records. Moretti says that those are the types of characteristics he likes anyway, so the two portfolios are very similar. As with Guardian, the managers look for "best in class" industry leaders, aiming for a portfolio with higher earnings growth than the broader market, but a lower P/E ratio. Though the process is bottom-up, the managers pay attention to macroeconomic trends, both long-term and short-term, in building and shaping the portfolio.

The managers will buy a stock only if the downside appears limited and a reasonable turnaround scenario is in sight. They want their holdings to have upside potential of 15%-25% annually over the next three to five years, and they're willing to wait for a company to live up to its prospects, so turnover is low (typically around 30% a year). Because of the focus on valuation, the fund was in the large-value category when Moretti joined in 2001, but his willingness to hold stocks that aren't necessarily cheap by traditional measures led the fund to move to the large-blend category, and eventually (in late 2011) to large-growth.

The portfolio is concentrated, typically with 30-40 stocks. (There were 35 equity holdings as of Sept. 30, 2014.) Moretti and his team try to keep it reasonably diversified by sector, but the nature of their process means that some sectors will usually be favored over others. For example, the fund typically avoids real estate stocks entirely and tends to avoid capital-intensive, highly regulated sectors

### Morningstar's Take

Morningstar Analyst Rating



#### Morningstar Pillars

Process	 Positive
Performance	 Positive
People	 Positive
Parent	 Positive
Price	 Positive

#### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



### Fund Performance

	Total Return %	+/- Category
YTD	—	—

# Neuberger Berman Socially Rspns Inst NBSLX

## Analysis

such as telecom and utilities, though they did add Northeast Utilities NU to this fund in 2014. The fund was also light relative to the large-growth category in deep cyclicals and credit-sensitive financials such as big banks, though the managers recently added regional bank U.S. Bancorp USB. However, the fund was heavier than its category peers in financials as a whole, including insurance, payment networks, and financial exchanges, as well as consumer staples and industrials. This is all part of Moretti's current preference for financially strong companies with the ability to push price.

This fund's portfolio usually shares all but a handful of its holdings with Neuberger Berman Guardian. As of Sept. 30, 2014, 10 of this fund's 35 stock holdings were not in Guardian (led by Unilever UL and Robert Half International RHI), while eight of Guardian's 33 holdings (led by top-10 holdings Berkshire Hathaway BRK.B and Anheuser-Busch Inbev BUD) were not in this fund.

### Performance Pillar: + Positive

This fund has been in three different categories since Arthur Moretti joined the management team in mid-2001, and its record looks excellent relative to any of the three. It was originally in the large-value category, and its returns rank in that category's top 15% from June 18, 2001, through mid-November 2014. Over the same time period it ranks in the top 10% of the large-blend category, where it resided from 2004 to 2011, and in the top 10% of its current large-growth peer group.

The fund has landed in its category's top decile three times under Moretti (in 2002, 2003, and 2010), but it has not trailed its peers by very much in the occasional off years. Its worst year in absolute terms was 2008, when it lost 39%, but that was only slightly behind the large-blend category and the S&P 500 benchmark. In 2012 it ranked in the bottom decile of its new large-growth peer group, the first time it has ever ranked so low under Moretti and the first time it has trailed its category in consecutive calendar years. Moretti stuck to his guns during that slow stretch, and his patience paid off; the fund beat the large-growth cat-

egory in the second half of 2012 and was one of the category's best performers in 2013 with a 38% gain thanks to broad-based strength in the portfolio. The fund has once again trailed the category in 2014 because it doesn't own many of the yield-focused stocks that have been the market's biggest gainers.

### People Pillar: + Positive

Arthur Moretti joined this fund in June 2001 as comanager and became lead manager in December 2003. He became lead manager of Neuberger Berman Guardian a year before that, in December 2002, and he has continued to run both funds since then. Prior to joining Neuberger, he spent eight years at Merrill Lynch, ending his career there with a nine-month stint as manager of Merrill Lynch Growth.

Ingrid Dyott and Sajjad Ladiwala became comanagers of this fund and Guardian in December 2003. Dyott had been with Neuberger since 1997, including two years as an analyst under Moretti, before which she spent two years at the Council of Economic Priorities. Ladiwala joined Neuberger in 2002, before which he spent two years as an analyst at Merrill Lynch and six years at Duff & Phelps. Mamundi (MG) Subhas was promoted to comanager in December 2008 after joining the team in 2001, and he had 20 years of industry experience before arriving at Neuberger. The four listed managers are the only dedicated members of the team, but they also have access to Neuberger's team of around 40 equity research analysts.

Moretti has over \$1 million invested in both this fund and Guardian; Dyott has \$1 million in this fund and \$500,000-\$1 million in Guardian; Ladiwala has \$100,000-\$500,000 in each fund; and Subhas has \$500,000-\$1 million in this fund and \$100,000-\$500,000 in Guardian.

### Parent Pillar: + Positive

Unlike fund shops that tightly control risk, resulting in a lineup of bland index-huggers, Neuberger Berman lets its managers invest with conviction. Neuberger funds tend to be concentrated, with relatively low turnover and significant sector bets.

That leads to more-volatile returns, but the funds have mostly performed quite well over time, with few duds and several standouts.

This culture faced a threat in 2008 when then-parent Lehman Brothers collapsed, but a group of Neuberger insiders eventually took the firm private. It's now owned by about 300 employees, including most portfolio managers and many analysts, providing good incentives for them to stick around. Neuberger is focused solely on investment management, though its retail mutual funds only make up a fraction of assets under management (about 15% as of 2014). Since 2008, it gradually has been shifting its distribution emphasis to advisor-sold share classes with sales charges, though existing shareholders can still buy no-load shares.

Neuberger has made a handful of acquisitions during the past decade and launched a flurry of new funds in recent years, including some trendy ones such as absolute-return, long-short, and China funds. Such moves are potential causes for concern that bear watching, but at heart, Neuberger remains a boutique with a nicely distinctive investing culture.

### Price Pillar: + Positive

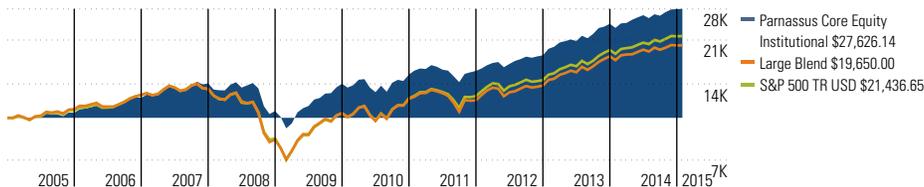
This fund's Investor, Institutional, and A shares together have two thirds of the fund's total assets, and their expense ratios (0.86%, 0.68%, and 1.05%, respectively) are all below the median for similar share classes of large-cap funds. The Trust shares, with just under 20% of assets, are a bit more expensive than similar share classes in the peer group, but taken as a whole, the fund's expenses are relatively cheap for most investors.

# Parnassus Core Equity Institutional PRILX

Morningstar Analyst Rating  
Silver

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
40.84	↑0.71   1.77	1.62	11.7	Open	\$100,000	None	0.69%	★★★★	Large Blend	Large Growth

## Growth of 10,000 01-08-2005 - 01-08-2015



## 3 Year Average Morningstar Risk Measures



## Investment Strategy

The investment seeks to achieve both capital appreciation and current income. 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.

## Pillars

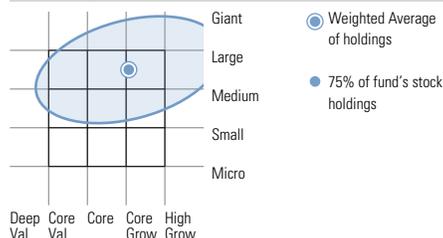
Process	Positive
Performance	Positive
People	Positive
Parent	Positive
Price	Positive
Rating	Silver

## Performance 01-08-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,022	10,142	11,663	17,759	19,714	27,626
Fund	0.22	1.42	16.63	21.10	14.54	10.70
+/- S&P 500 TR USD	0.01	1.16	2.08	1.26	-0.34	2.77
+/- Category	0.22	1.38	5.06	2.79	1.33	3.43
% Rank in Cat	30	3	4	12	24	—
# of Funds in Cat	1,661	1,656	1,564	1,336	1,196	812

\* Currency is displayed in USD

## Style Map

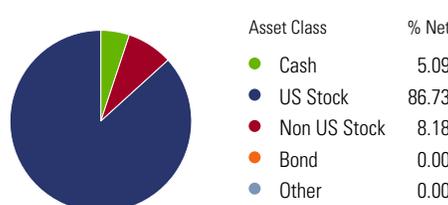


## Top Holdings 12-31-2014

	Weight %	Last Price	Day Chg %	52 Week Range
Applied Materials Inc	3.88	23.95 USD	-1.07 ↓	16.40 - 25.71
⊕ Pentair PLC	3.72	65.10 USD	-0.69 ↓	59.09 - 83.37
Motorola Solutions Inc	3.71	65.16 USD	-0.43 ↓	57.79 - 68.33
⊖ Allergan Inc	3.40	215.88 USD	-0.45 ↓	110.62 - 217.74
⊕ Iron Mountain Inc	3.31	39.60 USD	-1.73 ↓	25.75 - 40.41
% Assets in Top 5 Holdings	18.02			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

## Asset Allocation



## Top Sectors 12-31-2014

	Fund	3 Yr High	3 Yr Low	Cat Avg	Fund	Cat Avg
Technology	19.93	19.93	14.01	—	19.93	14.01
Healthcare	19.37	19.37	11.23	—	19.37	11.23
Industrials	18.60	22.23	18.60	—	18.60	18.60
Consumer Defensive	12.75	21.37	12.75	—	12.75	12.75
Energy	6.47	8.19	6.11	—	6.47	6.11

## Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-30-2014	41.18	0.0000	0.0000	0.0000	0.2200	0.2200
11-25-2014	40.79	0.6700	0.0000	0.0000	0.0000	0.6700
09-30-2014	39.16	0.0000	0.0000	0.0000	0.2200	0.2200
06-30-2014	39.58	0.0000	0.0000	0.0000	0.1100	0.1100
03-31-2014	36.93	0.0000	0.0000	0.0000	0.1200	0.1200

## Management

	Start Date
Todd C. Ahlsten	05-01-2001
Benjamin E. Allen	05-01-2012

# Parnassus Core Equity Institutional PRILX

## Analysis

### This fund gets a lot of things right.

By Laura Lalloos 12/23/2014

Parnassus Core Equity has been one of the strongest performers among domestic-equity funds this year, thanks in part to top holding Allergan AGN, which has surged on buyout news. But this is not a case of one lucky call. Longtime lead manager Todd Ahlsten and comanager Ben Allen are scrupulous stock-pickers who maintain a low-turnover portfolio of about 40 companies with relevant products or services, significant barriers to entry, and capable management.

Conviction has paid off: This has been one of the best funds in the large-cap blend category during Ahlsten's tenure. Yet even though the fund is focused both in names and sectors, it has low Morningstar Risk scores, which emphasize downside volatility. (The managers assert that companies that pass Parnassus' environmental, social, and governance, or ESG, screens are less risky than others within the same industries.) The fund has been easy to own: It has enjoyed steady net inflows every year since 2007, which is unusual for a domestic-equity fund.

When Ahlsten and Allen evaluate a stock, they anticipate a wide range of outcomes, incorporating a variety of macroeconomic scenarios. The fund has had little in financials because they don't think the stocks are priced to reflect the risk inherent in the financial system. The fund was also light on the sector going into the crisis because Ahlsten didn't like these stocks' balance sheets, and he'd avoided housing names because they lacked economic moats. Consequently, this fund lost less than 98% of its peers in 2008. It was also in the black in 2011.

This concentrated portfolio also has an above-average stake in small- and mid-cap names, and the managers are keeping an eye on asset growth. With about \$11 billion in the fund, and minimal assets run in the strategy in separate accounts, they believe they still have ample capacity.

This fund is the standout in a small lineup from a small shop. Its long-tenured managers have consistently applied an attractive strategy, and their track record of strong risk-adjusted returns has been boosted by below-average expenses. The fund merits an Analyst Rating of Silver.

#### Process Pillar: Positive

This fund has typical socially conscious restrictions: It eschews companies deriving significant revenue from alcohol, tobacco, weapons, or nuclear power, or those directly involved in gambling. However, Parnassus places more emphasis on environmental, social, and governance (ESG) criteria. Believing that ESG screens also identify companies likely to outperform industry peers, they seek out those that score well on corporate governance, employee benefits, stakeholder relations, products, environmental impact, and customer and supply chain relationships.

From there, managers Todd Ahlsten and Ben Allen invest in companies with wide or increasing economic moats that sell increasingly relevant products or services and that are guided by good management. While they do not make top-down sector calls, they buy when a stock is undervalued based on a range of outcomes incorporating a variety of macroeconomic scenarios. That can lead to sector biases; the fund has much more in consumer staples and industrials than large-blend peers and far less in consumer discretionary names and financials.

The fund must have 75% of assets in dividend-paying stocks, but there is no particular emphasis on high dividends or dividend growth. What's more, as of November 2014, the portfolio had 30% in mid-cap names and a smattering of small caps.

Todd Ahlsten and Ben Allen are patient, high-conviction investors. They hold 40 or so names and initiate a position only if they are willing to stake at least 1% of assets. Recent addition Allergan AGN paid off in spades in 2014. Noting the value of the company's pipeline and Botox franchise, they added the pick toward the end of 2013, after valuations came down on concerns about generic

### Morningstar's Take

Morningstar Analyst Rating

#### Morningstar Pillars

Process		Positive
Performance		Positive
People		Positive
Parent		Positive
Price		Positive

#### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

#### Analyst Rating Spectrum

Gold Silver Bronze Neutral Negative

### Fund Performance

	Total Return %	+/- Category
YTD	—	—

# Parnassus Core Equity Institutional PRILX

## Analysis

competition. The stock has since soared on buyout news.

Apple's AAPL decline in early 2013 spelled an opportunity to buy a company with a strong moat, and it became a top holding. It has been one of the biggest contributors to performance during the past year. Motorola MSI has been a significant detractor, but the managers say it has one of the best moats in the portfolio, as it dominates the global radio market.

Ahlsten and Allen regularly adjust position sizes as valuations and risk profiles change. Biopharmaceutical company Gilead Sciences GILD has an "exceptional moat and exceptional management" but is no longer exceptionally undervalued, so it has dropped from the top 10 to a core position.

Schwab SCHW and MasterCard MA are the only financials the fund owns; the managers are uncomfortable with the risk/reward profiles of money center banks. They are also skeptical about retailers' ability to sustain moats, and the fund is underweight consumer cyclicals.

### Performance Pillar: + Positive

The fund had a nice run in 2014, returning 14.1% through November and edging past its benchmark, the S&P 500 (14%). Through Dec. 19, it had increased its gain to 15.2% widening its lead a bit. Much of that owes to headliner Allergan, but a number of picks, such as Apple, also contributed.

This performance follows competitive returns in 2012 and 2013, and a top showing in 2011's rough market. The fund did lag in 2010, which accounts for its middling five-year record; Todd Ahlsten says a number of his high-quality names surged in the fourth quarter of 2009 and then fell behind riskier names that led in 2010. But he has met his goal of staying competitive on the upside while minimizing downside risk.

Ahlsten took over as sole manager in 2002, and Ben Allen came on in May 2012. Ahlsten got off to rocky start with an ill-timed cash stockpile and some poor picks. But he foreswore cash bets and

Parnassus began building its research team in earnest. (Allen joined as a senior research analyst in 2005.) This fund now boasts one of the best 10-year records in its category. During the past 10 years through November 2014, the fund has captured 95% of the upside of the S&P 500, but only 78% of its downside. It is worth noting that Ahlsten made an excellent call by avoiding financials before the crisis, and the fund's 2008 performance is a big part of its success.

### People Pillar: + Positive

Lead manager Todd Ahlsten is Parnassus' chief investment officer. He joined the firm as a research analyst in 1995 and became director of research in 1998. Ahlsten began comanaging this fund with Parnassus' founder Jerome Dodson in 2001. He took over as sole manager in 2002 and has earned excellent results since. According to fund filings, Ahlsten has more than \$1 million invested here.

Ben Allen joined as comanager on May 1, 2012, and is Parnassus' director of research. Allen started at Parnassus as an analyst in 2005 and was part of a three-manager team that earned a nice record at Parnassus Mid-Cap PARMX from October 2008 through April 2012 before moving on to this fund. Allen has increased his investment here, and it now stands between \$100,000 and \$500,000, according to the latest filing.

While Ahlsten has final say on picks, each manager is responsible for half of the fund's 40 or so holdings. (As Parnassus' managers and analysts provide support across the lineup, Allen covered a number of the names before coming on as comanager.) Ahlsten generally covers health-care and technology stocks, while Allen favors industrials and business services.

Ahlsten and Allen are part of a 15-member investment team, which together provides research for all the funds in the lineup. While the team recently lost a member, retention overall has been good.

### Parent Pillar: + Positive

Parnassus Investments is an employee-owned company founded by Jerome Dodson in 1984. It

launched its seventh fund, an Asia fund, at the end of April 2013. While a foreign fund is a first for the company, the firm has not grown recklessly; the last time it launched a new fund was in 2005. The firm has also steadily built its investment team. In 2013, the firm hired from the outside to bring fixed-income expertise to Parnassus Fixed Income PRFIX, but portfolio managers are generally promoted from the analyst ranks, and retention on the investment team is high.

The funds invest only in securities that pass its environmental, social, and governance screens. From there, the team finds companies with relevant products, sustainable competitive advantages, quality management, and ethical practices, and it buys when the stock is undervalued. The fixed-income fund also uses equity research for security selection.

In recent years, Parnassus has made a concerted effort to attract 401(k) and institutional clients, which has resulted in steady, but manageable, inflows. Most have gone to Parnassus Equity Income PRBLX, which has excellent long-term risk-adjusted performance. Four of the seven funds, accounting for more than 95% of assets, have manager investment greater than \$1 million. The funds' board of directors is experienced and has negotiated average fees overall.

### Price Pillar: + Positive

This fund's 87-basis-point expense ratio is below average for large-cap no-load funds.

Except for a blip up to 1.04% in 2004 (which Morningstar criticized at the time), the fund's expenses have always been reasonable. As the fund's asset base has grown, its net expense ratio has decreased during the past few years.

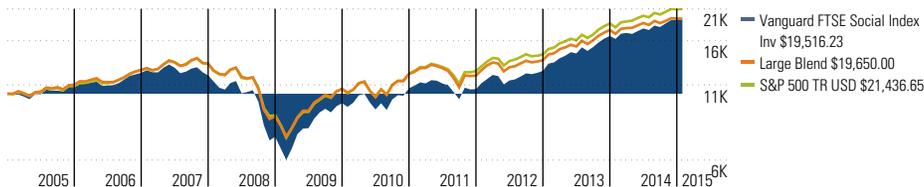
Institutional shareholders also get a good deal. Requiring a minimum investment of only \$100,000, the share class charges 69 basis points a year. That is below average for the large-cap institutional peer group.

# Vanguard FTSE Social Index Inv VFTSX

Morningstar Analyst Rating  
**Bronze**

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
13.30	↑0.23   1.76	1.24	1.5	Open	\$3,000	None	0.27%	★★★	Large Blend	Large Blend

## Growth of 10,000 01-08-2005 - 01-08-2015



## 3 Year Average Morningstar Risk Measures



## Investment Strategy

The investment seeks to track the performance of a benchmark index that measures the investment return of large- and mid-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the FTSE4Good US Select Index. The index is composed of the stocks of companies that have been screened for certain social and environmental criteria by the index sponsor, which is independent of Vanguard. It attempts to replicate the index by investing all, or substantially all, of its assets in the stocks that make up the index.

## Performance 01-08-2015

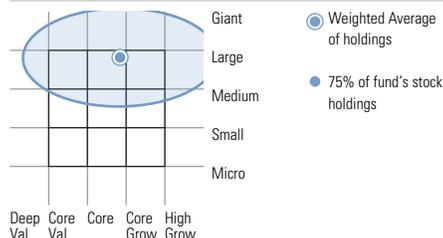
	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,030	10,013	11,590	18,351	20,667	19,516
Fund	0.30	0.13	15.90	22.43	15.63	6.92
+/- S&P 500 TR USD	0.09	-0.12	1.36	2.59	0.74	-1.01
+/- Category	0.30	0.10	4.34	4.12	2.41	-0.35
% Rank in Cat	22	54	7	3	8	66
# of Funds in Cat	1,661	1,656	1,564	1,336	1,196	812

\* Currency is displayed in USD

## Pillars

Process	Neutral
Performance	Positive
People	Positive
Parent	Positive
Price	Positive
Rating	<b>Bronze</b>

## Style Map

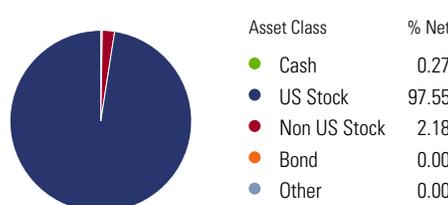


## Top Holdings 11-30-2014

	Weight %	Last Price	Day Chg %	52 Week Range
⊕ Johnson & Johnson	2.85	105.23 USD	-1.09 ↓	86.09 - 109.49
⊕ Wells Fargo & Co	2.73	52.74 USD	-1.51 ↓	44.17 - 55.94
⊕ Procter & Gamble Co	2.36	90.37 USD	-0.80 ↓	75.26 - 93.89
⊕ JPMorgan Chase & Co	2.17	59.54 USD	-1.41 ↓	52.97 - 63.49
⊕ Pfizer Inc	1.88	32.48 USD	-0.09 ↓	27.51 - 33.12
% Assets in Top 5 Holdings	11.99			

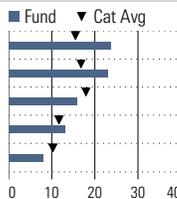
⊕ Increase ⊖ Decrease ✱ New to Portfolio

## Asset Allocation



## Top Sectors 11-30-2014

	Fund	3 Yr High	3 Yr Low	Cat Avg
🏥 Healthcare	23.60	23.60	21.36	14.58
🏦 Financial Services	22.90	24.25	22.90	15.88
💻 Technology	15.75	15.75	15.11	17.02
🛒 Consumer Cyclical	12.98	13.63	10.87	10.76
🛒 Consumer Defensive	8.00	8.15	6.92	9.34



## Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-17-2014	12.98	0.0000	0.0000	0.0000	0.1600	0.1600
12-17-2013	11.17	0.0000	0.0000	0.0000	0.1500	0.1500
12-17-2012	8.59	0.0000	0.0000	0.0000	0.1400	0.1400
12-16-2011	7.23	0.0000	0.0000	0.0000	0.0900	0.0900
12-16-2010	7.47	0.0000	0.0000	0.0000	0.0600	0.0600

## Management

Christine D. Franquin  
Start Date: 12-20-2011

# Vanguard FTSE Social Index Inv VFTSX

## Analysis

### A cost-effective way to hold a basket of socially responsible U.S. equities.

By Robert Goldsborough 2/25/2014

Vanguard FTSE Social Index is a fine choice for those seeking exposure to a diverse set of large- and mid-cap U.S. firms that have been screened for environmental, social, and governance characteristics.

This passively managed fund seeks to replicate the FTSE4Good US Select Index. The fund holds about 376 companies weighted by float-adjusted market cap. Not surprisingly, the fund tilts heavily to large-cap companies, which make up 82% of its portfolio. This fund's Investor share class charges expenses of just 0.28% while its Institutional share class costs 0.16%. That makes this fund the lowest-priced option in its peer group of socially responsible funds, although its competitors all are actively managed funds.

Investors should note that the social screens eliminate some very prominent stocks, such as Apple AAPL, Exxon Mobil XOM, General Electric GE, and Microsoft MSFT.

This fund could be a good core holding for investors desiring to avoid companies involved with alcohol, tobacco, or military weapons, in favor of those with good employee relations and environmental records.

We have assigned the Investor share class of this fund a Morningstar Analyst Rating of Bronze. This fund has done a fine job tracking its index over time and has a very attractive fee, particularly when compared with its peer group of socially responsible funds. The fund also has had strong short- and medium-term performance, but it has posted weak long-term performance relative to other socially responsible funds and to the broader market.

This fund does not have an Admiral share class.

#### Process Pillar: ● Neutral

The index that this fund tracks, the FTSE4Good US

Select Index, draws constituents from the market-cap-weighted FTSE USA All-World Index and contains large- and mid-cap U.S. stocks that have been screened for certain social and environmental criteria. Companies are ineligible if they are involved in gambling, tobacco sales, the production of alcoholic beverages, or nuclear weapons. Also ineligible are companies where adult entertainment makes up more than 10% of revenue. The criteria also exclude firms with records of polluting the environment, violating international human rights principles, or violating International Labor Organization core principles. Finally, the FTSE4Good US Select Index requires constituents to have a baseline level of diversity in their management and board.

The index provider determines potential index constituents' suitability against the criteria listed above by tapping data from the nonprofit Ethical Investment Research Service, which researches about 3,000 companies globally on more than 100 different environmental, social, and governance issues.

From its inception in 2000 until 2005, this fund tracked the Calvert Social Index. In December 2005, this fund began tracking its current index.

The social screens employed by this fund's index provider result in sector weightings that differ meaningfully from the S&P 500 Index. For example, financial companies comprise 25.5% of this fund's assets, and health-care firms make up another 21.5%; by comparison, in the S&P 500 Index, financial firms make up 16% and health-care companies constitute another 13.5%. The sector divergence becomes even more pronounced when one considers that this fund technically is classified as large-growth--it has bounced back and forth over the years between large-growth and large-blend. This fund tilts far more heavily toward financials and health care than does a typical large-growth fund. In addition, this fund is slightly more concentrated than some large-blend funds, including S&P 500 Index funds. The fund's largest holdings are quality large-cap names, such as Google GOOG,

### Morningstar's Take

Morningstar Analyst Rating



### Morningstar Pillars

Process	<span style="color: #0070C0;">●</span> Neutral
Performance	<span style="color: #0070C0;">+</span> Positive
People	<span style="color: #0070C0;">+</span> Positive
Parent	<span style="color: #0070C0;">+</span> Positive
Price	<span style="color: #0070C0;">+</span> Positive

### Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



### Fund Performance

	Total Return %	+/- Category
YTD	—	—

# Vanguard FTSE Social Index Inv VFTSX

## Analysis

Johnson & Johnson JNJ, Wells Fargo WFC, JP-Morgan Chase JPM, and Procter & Gamble PG.

Although this fund is permitted to hold foreign stocks, fully 97.5% of its assets are invested in U.S. companies. The fund practices full replication of its index. Vanguard specializes in tracking indexes and uses proprietary software to trade efficiently and keep transaction costs low.

**Performance Pillar:** + Positive

This fund recently has outperformed other socially responsible funds and other large-growth funds. This fund has returned 26.0% over the past year and 14.5% over the past three years ended Feb. 12, 2014, driven by its relative overweighting to the health-care and financials sectors. Over the past five years, the fund's 21.7% return tops other SRI fund peers. The fund has lagged other SRI funds over the past decade, owing to sector biases. The fund was heavy in financials in 2007 and 2008 and underweighted energy and industrial materials companies, which soared prior to the financial crisis. In 2004 and 2005, performance was hurt by above-average stakes in underperforming sectors, such as technology and drugmakers.

Compared with the U.S. large-growth category, this fund has posted strong three- and five-year performance numbers. The fund has bested the U.S. large-growth category over the past three and five years by more than 180 basis points. Over the past decade, the fund has meaningfully lagged the large-growth category, returning 5.47% versus the category's 7.2%.

This fund long has tracked its index very closely. Its returns have lagged the index's returns by almost exactly the investor fee.

This fund has been more volatile than the S&P 500 Index, with a volatility of return of 16.7% over the past five years. The broader benchmark has posted a 15.3% volatility of return.

**People Pillar:** + Positive

Christine Franquin is the manager of the fund, leading since 2011. She has been with Vanguard since 2000. She manages eight other funds, in-

cluding Gold-rated Vanguard Balanced Index VBAIX, Vanguard Total World Stock Index VTWIX, and Gold-rated Vanguard Tax-Managed International Fund VTMINX. Franquin is assisted by Vanguard's equity index group, headed by John Brennan. The group manages roughly \$1 trillion in indexed assets, and offers a deep bench of talent. The group specializes in efficient trading and construction techniques to minimize tracking error and oversees all passively managed equity funds. The team includes Vanguard's other senior portfolio managers.

Although Franquin does not invest in the fund, her compensation is linked to the fund's operating efficiency. Even without an investment in the fund, Franquin's interests are aligned with those of shareholders. In addition, because minimizing costs and tracking error are Franquin's primary objectives, it's less important for her to invest in the fund than it would be for an active manager. Her execution should not leave many surprises.

**Parent Pillar:** + Positive

Vanguard has become one of the largest money managers by giving fund owners a fair deal and straight talk--and by providing strong performance overall.

The source of Vanguard's competitive advantage and the foundation of its culture is its mutual ownership structure. In the United States, the family's fund shareholders own Vanguard through their funds, which compels the firm to operate at cost, rather than for profit, and put investors' interests first. It also boasts traits that foster stewardship, such as above-average manager retention, a strong compliance culture, and an independent board.

Vanguard looks out for fund owners in many ways. It shares the economies of its scale via lower fees; has closed actively managed funds when inflows have jeopardized strategies; publishes clear and concise shareholder reports, investing education, commentary, and research; and avoids trendy fund launches.

The family didn't get to the top on altruism alone, though. It has aggressively expanded its lineup--especially exchange-traded funds--and assertively advertised its wares in recent years. And it has been moving into a handful of markets overseas, with more expansion to come. Still, Vanguard improves the global fund industry by inciting price competition. If it remembers its roots as it spreads its branches, Vanguard will remain a reliable steward.

**Price Pillar:** + Positive

This fund's Investor share class price tag of 0.28% is far lower than the Retail share class fees for any socially responsible fund, whether passively or actively managed.

Vanguard engages in securities lending, which is the practice of lending out the fund's underlying holdings in exchange for a fee. This ancillary income partially offsets the fund's expenses.

This fund does not charge a purchase and redemption fee.