

# 2023 Impact Reports



We are excited to share the launch of NPT's 2023 Public Portfolio Impact Reports highlighting the impact your dollars have helped support this year.

This year, across all of NPT's public portfolios, we have seen:

- Funds engage portfolio companies on issues of climate change risk, set science-based emissions reduction targets, and work with companies to improve company diversity by improving reporting requirements and setting targets to increase representation at executive levels
- Top holdings launch new sustainability product features, invest in affordable housing, and make meaningful strides in commitments to supporting small businesses through access to lending products

NPTs public impact investing portfolios were first launched in October 2019 in partnership with [CapShift](#) to help donors generate a greater impact with their donor-advised funds. Together, we launched four public impact investing portfolios with the themes of environmental stewardship, gender lens, equity & inclusion, and broad social impact. These portfolios empower donors to align their donor-advised fund investments with their charitable goals using a single investment solution.

Now more than ever, we hope that this year's reports serve as an important tool to track progress towards your own environmental and social impact goals, demonstrate how managers you've supported hold companies accountable for their actions to shareholders, and provide transparency for how managers are engaging with companies on important issues to take action while also staying committed to generating long term value and growth.

We welcome your feedback and look forward to continuing to work together to create a more just and sustainable world.

### IMPACT OBJECTIVE

*Overall goal of the portfolio*

*Advance solutions to global challenges, including financial inclusion, climate change, conservation, access to healthcare, equity and inclusion, and proper corporate governance.*

### Strategy

*Impact approaches and strategies utilized by the fund manager*

Diversified public equity and fixed income portfolio, including private investments, that collectively:



Funds organizations that lend to low-income families and small businesses that lack access to formal banking



Invests in companies developing solutions to aid the least advantaged and help conserve natural resources.



Screens out companies with poor track records in how they treat employees, the environment and their communities.

### ESG Integration

All funds employ some element of ESG Data Integration.



#### MORE EXPOSURE TO GREEN TECHNOLOGIES AND SOCIAL IMPACT

**18% greater** than benchmark in clean energy companies<sup>1</sup>

**24% greater** than benchmark in access to nutrition scores<sup>2</sup>



#### LESS EXPOSURE TO CLIMATE RISKS

**50% less** than benchmark in deforestation producers' exposure<sup>3</sup>

**56% less** than benchmark in fossil fuel industry exposure<sup>4</sup>

**99% less** than benchmark in scope 1+2+3 GHG emissions<sup>5</sup>



#### LESS EXPOSURE TO SOCIAL AND GOVERNANCE RISKS

**27% less** than benchmark in forced arbitration for sexual harassment<sup>6</sup>

**67% fewer** product safety violations<sup>7</sup>

**29% less** than benchmark in CEO Pay relative to median worker pay<sup>8</sup>

### SDG ALIGNMENT

*Alignment with the United Nations' Sustainable Development Goals*



### ASSET CLASS


*Types of underlying assets*


Public Equity, Fixed Income

## Holdings


Select investments supporting impact:<sup>9</sup>

### EQUITY

 **Alphabet** enhanced and launched new sustainability product features, such as eco-friendly routing in Maps, which is estimated to have helped prevent more than 1.2 million metric tons of carbon emissions from launch through 2022—equivalent to taking approximately 250,000 fuel-based cars off the road for a year.<sup>10</sup>

 **Microsoft TechSpark**, a digital skills program focused on economic opportunity and job creation for communities across the United States helped catalyze more than \$72 million in funding from other organizations and upskilled more than 76,000 job seekers and employees across ten US regions.<sup>11</sup>

### FIXED INCOME

 **CCM** invested in The City of Emeryville Series 2023 Bonds that aim to address the city's housing crisis by providing affordable local housing and preventing displacement of vulnerable populations in Emeryville, including low- and moderate-income households, veterans, seniors, and people with disabilities. The bonds also provide funding for permanent supportive housing for people experiencing homelessness and help low- and middle-income households purchase homes and stay in the community.<sup>12</sup>

## Taking Action

Shareholder engagement and proxy voting

Notable funds in portfolio using this strategy:

- **Brown Advisory Sustainable Growth Fund**
  - **Parnassus Core Equity**
  - **Calvert US Large Cap Core Responsible Index**
  - **Calvert Small Cap Fund**
  - **Trillium ESG Global Equity Fund**
  - **Impax Ellevest Global Women's Leadership Fund**
  - **RBC Emerging Markets Equity Fund**
- Parnassus engaged eleven portfolio companies on climate change and climate risk and sent notice of their climate expectations to more than 150 companies across all their portfolios. Their engagement work focused on making progress through portfolio companies setting science-based emission-reduction targets and publishing standardized climate disclosures. These disclosures are an important first step in increasing transparency with investors and furthering dialogue about best practices in managing climate risks.<sup>13</sup>
  - The RBC Emerging Markets Equity team engaged with a Chilean copper miner about its impact on local communities. After shifting its strategy from a transactional to a dialogue-based approach with its local community, the company developed a local procurement program with over 150 small businesses from a local province and installed fiber optic cables, providing internet access to some of the more rural areas in Chile as part of its digitalization program. The investment team will continue to monitor the company's progress on its community impact moving forward.<sup>14</sup>
  - Brown Advisory undertook a multi-year engagement with a semi-conductor company that did not have a female director on the board for many years. Over the years, Brown undertook multiple conversations with management about ways that they could improve diversity. Eventually, this year the company appointed its first female director to the Board.<sup>15</sup>



- In March, Trillium successfully negotiated a commitment from IPG Photonics to set quantitative diversity targets at the board and senior executive level to increase gender diversity globally and gender, race, and ethnicity in the U.S.<sup>16</sup>

## Advancing Impact Outcomes

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Notable funds in portfolio using this strategy:

- **CMM Community Impact Fund**
- **TIAA-CREF Core Impact Bond Fund**

### ADVANCING CLIMATE SOLUTIONS

- TIAA-CREF Core Impact Bond's investments helped conserve over 639,741 acres of land and save over 130.3 billion gallons of water.<sup>17</sup>

### ADVANCING EQUITY

- Since the launch of the Minority CARES initiative, CCM provided 182,264 affordable rental housing units and 828 loans to minority women borrowers as of 09/30/23. and in 2023, provided 12 loans and created or retained 318 jobs from minority/women-owned small businesses.<sup>18</sup>
- TIAA-CREF Core Impact Bond's investments helped provide over 2.2 million affordable mortgages and created over 126,397 full-time jobs.<sup>19</sup>
- One of CCM's investments, Preservation of Affordable Housing (POAH), was the recipient of the 2023 Sustainability Bond of the Year – US Muni by Environmental Finance. POAH is a Boston-based nonprofit organization that preserves, creates, and sustains affordable rental homes for low- and moderate income (LMI) families, seniors, and individuals. It is one of the largest nonprofit affordable housing developers and owners in the country.<sup>20</sup>

## Important Information and Disclosures

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### FOOTNOTES

<sup>1</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. The Portfolio Specific Benchmark is created by weighting each underlying funds' benchmark in accordance with that fund's weighting in the portfolio. Top 200 companies by clean energy economy revenue, including energy efficiency and finance of low-carbon solutions, and companies with business models and revenue sources fully in support of the clean energy economy.

<sup>2</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. The Access to Nutrition Index scores how well food & beverage companies provide access to healthy products and responsibly influence consumers' healthy choices and behaviors. Companies are scored based on factors including governance, healthy products, and transparent labeling/marketing. Scores range from 0 (worst) to 10 (best). 1 in 3 people worldwide are malnourished<sup>1</sup>. Companies can provide better labelling and access to healthy products around the world and encourage more nutritious diets to combat malnutrition.

<sup>3</sup> Source YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. Refers to companies involved in producing and trading palm oil, paper/pulp, rubber, timber, cattle, and soy, and having a past record or a significant risk of contributing to deforestation, land grabbing, and human rights abuses.

<sup>4</sup> Source YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. Refers to companies in the coal or oil/gas production, refinement, distribution, or services industries, or utility companies that burn fossil fuels to generate power receive a score of 100%. Other companies receive a score of 0.

<sup>5</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. Greenhouse gas emissions, in Carbon Dioxide Equivalents, total of scope 1, 2, and 3 emissions. These are total emissions as reported by the company. Please note some companies report "scope 3" as only part of their scope 3 emissions and may not report all scopes of emissions.

<sup>6</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark.

<sup>7</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark. Includes penalties paid to the US government or UK government for unsafe products.

<sup>8</sup> Source: YourStake Data as of 12/31/23 compared to Portfolio Specific Benchmark.

<sup>9</sup> Select top holdings are stories of impact selected from the top 10 equity companies or fixed income investments comprising the largest share of the portfolio that align with the fund's intended strategy.

<sup>10</sup> ["2023 Environmental Report: Executive Summary," Pg.4.](#)

<sup>11</sup> ["The 2023 Impact Summary," Pg. 3.](#)

<sup>12</sup> ["CCM Annual Impact Report," Pg. 8.](#)

<sup>13</sup> ["Annual Stewardship Report," Pg. 8.](#)

<sup>14</sup> Date of last available reporting. ["RBC Stewardship Report," Pg. 12.](#)

<sup>15</sup> Brown Advisory email provided 2/23/24.

<sup>16</sup> ["Advocacy Impact Report – First Half 2023," Pg. 5.](#)

<sup>17</sup> ["Measuring Impact in Public Fixed Income," Pg. 1.](#)

<sup>18</sup> ["Minority CARES Impact Report," Pg. 2.](#)

<sup>19</sup> ["CCM 2023 Impact Report" Page 11.](#)

<sup>20</sup> ["Measuring Impact in Public Fixed Income," Pg. 1.](#)

<sup>21</sup> ["CCM Annual Impact Report," Pg. 8.](#)

### IMPACT OBJECTIVE

*Overall goal of the portfolio*

*Manage climate change risks, as well as protect and conserve natural resources.*

### SDG ALIGNMENT

*Alignment with the United Nations' Sustainable Development Goals*



### ASSET CLASS

*Types of underlying assets*

Public Equity, Fixed Income

## Strategy

*Impact approaches and strategies utilized by the fund manager*

A diversified public equity and fixed income portfolio that collectively:



Provides funding to companies developing solutions to climate change challenges



Invests in companies that have reduced greenhouse gas emissions and overall resource consumption



Screens out companies and municipalities with poor environmental practices

## ESG Integration

All funds employ some element of ESG Data Integration.



### MORE EXPOSURE TO CLIMATE CHANGE SOLUTIONS

**48% greater** than benchmark in clean energy companies<sup>1</sup>

**18% greater** than benchmark in climate voting support<sup>2</sup>



### LESS EXPOSURE TO CLIMATE RISKS

**38% less** than benchmark in deforestation producers' exposure<sup>3</sup>

**99% less** than benchmark in scope 1+2+3 GHG emissions<sup>4</sup>

**68% less** than benchmark in industrial GHG emissions<sup>5</sup>

## Holdings

Select investments supporting impact:<sup>6</sup>

### EQUITY



**Waste Management** launched a new recycling facility to recover construction & demolition materials serving Miami Dade County, FL, with the capacity to process 250K tons per year and invested \$561 million in growing recycling and renewable energy solutions.<sup>7</sup>



**Linde** supplied liquid hydrogen to the world's first hydrogen-powered ferry for cars and passengers in Norway.<sup>8</sup>



**Apple** is making progress toward their goal of transitioning to 100 percent recycled and renewable materials in their products. To date, 20 percent of materials shipped in Apple products came from recycled sources, including recycled aluminum, rare earth elements, tin, cobalt, gold, tungsten, steel, brass, copper, and plastic.<sup>9</sup>

### FIXED INCOME



AES Corp, one of **Calvert Green Bond Fund's** top 10 largest holdings, brought online approximately 2 gigawatts (GW) of wind, solar and energy storage projects and signed Power Purchase Agreements for 5.2 GW of renewables—the most in their history – and they were recognized for the second year in a row as the #1 global clean energy developer for corporations by Bloomberg New Energy Finance.<sup>10</sup>



**TIAA-CREF Core Impact Bond's** investments helped conserve over 639,741 acres of land and save over 130.3 billion gallons of water.<sup>11</sup>

## Taking Action

Shareholder engagement and proxy voting

Notable funds in portfolio using this strategy:

- **Brown Advisory Sustainable Growth Fund**
- **Trillium ESG Global Equity Fund**
- **Parnassus Core Equity Fund**

- Brown engaged with two companies in their portfolio that had never reported to CDP. They are pleased to note that in both cases, their direct engagement resulted in the companies reporting to CDP for the first time.<sup>12</sup>
- Parnassus engaged eleven portfolio companies on climate change and climate risk and sent notice of their climate expectations to more than 150 companies across all their portfolios. Their engagement work focused on making progress through portfolio companies setting science-based emission-reduction targets and publishing standardized climate disclosures. These disclosures are an important first step in increasing transparency with investors and furthering dialogue about best practices in managing climate risks.<sup>13</sup>
- In July, Trillium confirmed in a meeting with the Walt Disney Co. that they are on track to publish their list of priority chemicals (chemicals that the EPA deems may present unreasonable risk of injury to health or the environment) and their strategy to manage and reduce their use by the end of the year.<sup>14</sup>

## Advancing Impact Outcomes

### FIGHTING CLIMATE CHANGE

Notable funds in portfolio using this strategy:

- **Calvert Green Bond Fund**
  - **CMM Community Impact Fund**
  - **iShares Global Clean Energy ETF**
  - **KBI Global Investors Aquarius Fund**
- Spirax-Sarco Engineering, one of Impax's holdings, helped customers avoid approximately 18 million tons of greenhouse gas emissions. Spirax is a well-established industrial engineering business and a world leader in steam and electrical energy solutions. Its solutions provide energy savings with relatively short payback periods for uses such as industrial heating and temperature management for food, beverage, pharma, water, and wastewater industries.<sup>15</sup>
  - iShares Global Clean Energy ETF is aiming to reduce emissions by investing into green energy companies. For example, its top holding, First Solar, as of the end of 2022, achieved an 11% lower GHG emissions intensity, and decreased manufacturing waste intensity by 28% and manufacturing water intensity by 20%.<sup>16</sup>
  - Water utilities account for approximately 2% of greenhouse gas emissions, equivalent to the world's shipping industry. Veolia Environment, KBI Global Investors Aquarius Fund's top holding, eliminated 14 million metric tons of CO<sub>2</sub> from their customers' carbon trajectories, and saved more than 320 million cubic meters of water, equivalent to the annual consumption of Singapore.<sup>17</sup>

## Important Information and Disclosures

### FOOTNOTES

<sup>1</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. The Portfolio Specific Benchmark is created by weighting each underlying funds' benchmark in accordance with that fund's weighting in the portfolio. Top 200 companies by clean energy economy revenue, including energy efficiency and finance of low-carbon solutions, and companies with business models and revenue sources fully in support of the clean energy economy.

<sup>2</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. The average level of voting support for shareholder proposals calling for companies to plan for a net zero greenhouse gas emissions future. Climate related shareholder proposals are important in planning for a net zero greenhouse gas emission future.

<sup>3</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. Companies involved in producing and trading palm oil, paper/pulp, rubber, timber, cattle, and soy, and having a past record or a significant risk of contributing to deforestation, land grabbing, and human rights abuses.

<sup>4</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. Greenhouse gas emissions, in Carbon Dioxide Equivalents, total of scope 1, 2, and 3 emissions. These are total emissions as reported by the company. Some companies report "scope 3" as only part of their scope 3 emissions, and may not report all scopes of emissions.

<sup>5</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. Greenhouse gas emissions, in Carbon Dioxide Equivalents, from facilities as reported to North American and E.U. Pollutant Release and Transfer Registers. Facilities that emit at least 25,000 metric tons of GHG emissions are required to report in the USA, and facilities that emit at least 100,000 metric tons of CO<sub>2</sub> or at least 100 metric tons of Methane are required to report in the E.U.

<sup>6</sup> Select top holdings are stories of impact selected from the top 10 equity companies or fixed income investments comprising the largest share of the portfolio that align with the portfolio's intended strategy.





## Important Information and Disclosures

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### FOOTNOTES

<sup>7</sup> ["2023 Sustainability Report," Pg. 8.](#)

<sup>8</sup> ["Linde ESG Report," Pg. 7.](#)

<sup>9</sup> As of date of last available reporting. ["Apple Environmental Progress Report," Pg. 4.](#)

<sup>10</sup> As of date of last available reporting. ["Improving Lives Report," Pg. 6.](#)

<sup>11</sup> ["Measuring Impact in Public Fixed Income," Pg. 1.](#)

<sup>12</sup> As of date of last available reporting. ["Large-Cap Sustainable Growth Strategy: Reporting on the impact of our investment decisions," Pg. 13.](#)

<sup>13</sup> ["Annual Stewardship Report," Pg. 8.](#)

<sup>14</sup> ["Advocacy Impact Report – 3Q 2023," Pg. 2.](#)

<sup>15</sup> ["Impax Environmental Fund: Beyond Financial Returns Report," Pg. 13.](#)

<sup>16</sup> ["Sustainability Report 2023," Pg. 8.](#)

<sup>17</sup> ["Veolia ESG Report," Pg. 3.](#)

### IMPACT OBJECTIVE

Overall goal of the portfolio

*Seeks to narrow inequalities in society by creating economic opportunity that advances equity and inclusion.*

### SDG ALIGNMENT

Alignment with the United Nations' Sustainable Development Goals



### ASSET CLASS

Types of underlying assets

Public Equity, Fixed Income

## Strategy

Impact approaches and strategies utilized by the fund manager

A diversified public equity and fixed income portfolio that collectively:



Funds companies developing products and services for the least advantaged communities globally.



Invests in companies and municipalities offering fair wages and benefits to employees.



Screens out companies with poor track records in the way they treat employees, suppliers and the communities in which they operate.

## ESG Integration

All funds employ some element of ESG Data Integration.



### MORE EXPOSURE TO PRODUCTS AND TECHNOLOGIES THAT ENABLE EQUITY AND INCLUSION

**62% less** than benchmark in air pollution in minority communities<sup>1</sup>

**66% less** than benchmark in air pollution in poor communities<sup>2</sup>



### MORE EXPOSURE TO COMPANIES WITH EQUALITY IN PAY

**51% less** than benchmark in sub-minimum wage compensation<sup>3</sup>

**27% less** than benchmark in ratio of CEO Pay relative to median worker pay<sup>4</sup>



### LESS EXPOSURE TO POOR LENDING PRACTICES

**33% less** than benchmark in predatory lending exposure<sup>5</sup>

### LESS EXPOSURE TO EMPLOYEE AND CUSTOMER-RELATED CONTROVERSIES

**24% less** than benchmark in forced arbitration for sexual harassment<sup>6</sup>

**75% fewer** labor relations violations<sup>7</sup>

**80% fewer** health and safety violations<sup>8</sup>

## Holdings

Select investments supporting impact:<sup>9</sup>

### EQUITY



In FY23 **Nvidia** collaborated with the United Nations Economic Commission for Africa to equip governments and developer communities in 10 nations with data science training and technology to support more informed policymaking and accelerate how resources are allocated.<sup>10</sup>



**Microsoft** co-founded the Industry Data for Society Partnership to advance more open and accessible private sector data to help address societal challenges.<sup>11</sup>

### FIXED INCOME



**CCM** invested in The City of Emeryville Series 2023 Bonds that aim to address the city's housing crisis. In June 2018, more than two-thirds of Emeryville voters approved Ballot Measure C, authorizing the city to invest \$50 million to provide affordable local housing and prevent displacement of vulnerable populations in Emeryville, including low- and moderate-income households, veterans, seniors, and people with disabilities. The bonds also provide funding for permanent supportive housing for people experiencing homelessness and to help low- and middle-income households purchase homes and stay in the community.<sup>12</sup>

## Taking Action

Shareholder engagement and proxy voting

Notable funds in portfolio using this strategy:

- **Brown Advisory Sustainable Growth Fund**
  - **Calvert US Large Cap Core Responsible Index**
  - **Calvert International Responsible Index**
  - **Parnassus Core Equity Fund**
  - **Calvert Small Cap Fund**
- Calvert's proposal asking Tesla to report on its anti-harassment/discrimination policies received 47% of the vote, nearly a majority. Tesla has faced attention and criticism for allegations of harassment and discrimination in the workplace, and increased transparency would help shareholders assess how the company is managing associated risks.<sup>13</sup>



- Parnassus' stewardship team filed a shareholder proposal urging the board of directors at Apple to commission and oversee an independent, third-party assessment of Apple's adherence to its stated commitment to workers' rights to freedom of association and collective bargaining. Apple ultimately agreed to negotiate an agreement that would avoid the proposal being taken to shareholders for a vote. After a series of substantial conversations, Apple announced in its 2023 proxy statement its plans to conduct an assessment to review its management practices when employees seek to exercise their rights to form or join or refrain from joining a union, as well as outline any actions needed to remedy any inconsistent practices.<sup>14</sup>
- Brown Advisory engaged with an American software company on their DEI efforts. Brown shared their view on what human capital related metrics and targets they believe would be most beneficial for the company to disclose. Additionally, through this engagement with the company, they gained confidence that the management is committed to DEI initiatives and had set targets for increasing underrepresented minorities in the workforce.<sup>15</sup>

### ADVANCING EQUITY AND INCLUSION

Notable funds in portfolio using this strategy:

- **TIAA-CREF Core Impact Bond Fund**
- **CMM Community Impact Bond Fund**
- Since the launch of the Minority CARES initiative, CCM provided 182,264 affordable rental housing units and 828 loans to minority women borrowers as of 09/30/23. and in 2023, provided 12 loans and created or retained 318 jobs from minority/women-owned small businesses<sup>16</sup>
- TIAA-CREF Core Impact Bond's investments helped provide over 2.2 million affordable mortgages and created over 126,397 full-time jobs.<sup>17</sup>
- CCM invested in The City of Emeryville Series 2023 Bonds that aim to address the city's housing crisis by providing affordable local housing and preventing displacement of vulnerable populations in Emeryville, including low- and moderate-income households, veterans, seniors, and people with disabilities. The bonds also provide funding for permanent supportive housing for people experiencing homelessness and help low- and middle-income households purchase homes and stay in the community.<sup>18</sup>

## Important Information and Disclosures

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### FOOTNOTES

<sup>1</sup> Source: YourStake Data as of 12/31/2023 compared to Portfolio Specific Benchmark. Amount that minority communities are exposed to toxic air pollution from industrial facilities in the U.S., using Census, and EPA data.

<sup>2</sup> Source: YourStake Data as of 12/31/2023 compared to Portfolio Specific Benchmark. This metric takes annual toxic air pollution data from factories as reported to the US EPA, and applies an overlay of U.S. Census data to assess the health risk borne by people living below the poverty line in communities surrounding the polluting facilities.

<sup>3</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Companies that pay their employees below a living wage.

<sup>4</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Ratio of CEO pay to median worker pay based on salary, bonus, stock options, and other compensation.

<sup>5</sup> Source: YourStake data as of 12/31/2023 compared to Portfolio Specific Benchmark. Companies that have received 25 or more Consumer Financial Protection Bureau complaints for predatory lending complaints, including payday loans, installment loans, pawn loans, title loans, tax refund anticipation loans, personal lines of credit, and check cashing, over the last 3 years..

<sup>6</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Companies that force arbitration for sexual harassment in employee contracts either as a required measure, or as a default with an opt-out option, receive a score of 100%. Companies that have ended the practice of forced arbitration for sexual harassment or have never used it receive a score of 0%. Forced arbitration agreements make it impossible for workers to sue their employers for sexual harassment.

<sup>7</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Includes penalties paid to the US government or UK government for violating labor laws.

<sup>8</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Penalties paid to the US government or UK government for public and workplace health and safety failures.

<sup>9</sup> Select top holdings are stories of impact selected from the top 10 equity companies or fixed income investments comprising the largest share of the portfolio that align with the fund's intended strategy.

<sup>10</sup> ["NVIDIA Corporate Responsibility Report," Pg. 43.](#)

<sup>11</sup> ["The 2023 Impact Summary," Pg. 7.](#)

<sup>12</sup> ["CCM Annual Impact Report," Pg. 8.](#)

<sup>13</sup> ["Calvert Tools of Change," Pg. 8.](#)

<sup>14</sup> Date of last available reporting. ["Annual Stewardship Report," Pg. 11.](#)

<sup>15</sup> Brown Advisory email provided 2/23/24.

<sup>16</sup> ["Minority CARES Impact Report," Pg. 2.](#)

<sup>17</sup> ["CCM 2023 Impact Report" Page 11.](#)

<sup>18</sup> ["Measuring Impact in Public Fixed Income," Pg. 1.](#)

<sup>19</sup> ["CCM Annual Impact Report," Pg. 8.](#)

## IMPACT OBJECTIVE

*Overall goal of the portfolio*

*Support the advancement of women in the workplace and beyond.*

## SDG ALIGNMENT

*Alignment with the United Nations' Sustainable Development Goals*



## ASSET CLASS

*Types of underlying assets*

Public Equity, Fixed Income

## Strategy

*Impact approaches and strategies utilized by the fund manager*

A diversified public equity and fixed income portfolio that collectively:



Invests in companies providing advancement opportunities for women and closing the gender pay gap.



Lends capital to businesses that are led by women or promote the well-being of women and girls



Holds mutual funds with strong financial and social performance that are managed by women.

## ESG Integration

All funds employ some element of ESG Data Integration.

**3% greater** than benchmark in women on boards<sup>1</sup>

**16% greater** than benchmark in pro-choice exposure<sup>2</sup>

**19% less** than benchmark in forced arbitration for sexual harassment<sup>3</sup>

**78%** of the funds in the portfolio have at least one female portfolio manager<sup>4</sup>



### Thematic Fund Highlight: Pax Ellevest Global Women’s Leadership Fund<sup>5</sup> —

As of March 31, 2023

|   | Pax Global Women’s Leadership Fund | MSCI World Index |
|---|------------------------------------|------------------|
| Women on board seats                    | 43%                                | 33%              |
| Women in executive management           | 39%                                | 25%              |
| Companies with 3 or more women on board | 97%                                | 66%              |

### Holdings

Select investments supporting impact:<sup>6</sup>

#### EQUITY



Through its Equitable Access Initiative, **Visa Foundation** committed \$15.5 million in grants and over \$35 million in impact investments to support gender diversity and inclusion in small businesses, and continued a five-year, \$20 million partnership with Women’s World Banking to support women owned SMBs around the world<sup>7</sup>



**Adobe** continued their successful university technology scholarship programs designed to create gender equality in science, technology, and engineering domains by encouraging women to showcase their excellence in computing and technology and become future leaders and role models in the field. This included the Adobe Research Women in Technology Scholarship for women who are studying at North American universities, and the Adobe India Women in Tech Scholarship for women enrolled in an Indian university or institute.<sup>8</sup>

#### FIXED INCOME



**CCM** invested in Glenmore Apartments, a special public purpose multifamily affordable housing property in Brooklyn, New York. Of the 79 apartments, 50 are reserved to provide transitional housing for homeless women and children. Glenmore Apartments have a unique gender-responsive, trauma-informed approach to providing temporary housing for women and children. Its professionally trained staff collaborate closely with residents to provide support and develop strategies to help residents regain their sense of inherent self-worth and a stability in their lives that permeates their relationships as well as their ability to maintain self-sufficiency.<sup>9</sup>

## Taking Action

*Shareholder engagement and proxy voting*

Notable funds in portfolio using this strategy:

- **Brown Advisory Sustainable Growth Fund**
- **Calvert US Large Cap Core Responsible Index**
- **Calvert International Responsible Index**
- **Impax Ellevest Global Womens Leadership Fund**
- **John Hancock ESG Large Cap Core Fund**
- **Calvert Small Cap Fund**

### DEFENDING WOMEN'S RIGHTS

- Impax met with Disney to learn about recent human capital and DEI initiatives after the company's 2022 annual meeting after a pay gap shareholder proposal received majority support by shareholders. In September 2022, Disney published its adjusted pay data by race and gender for first time showing that women are paid nearly identically to men, and Asian, Black, and Hispanic workers are all paid nearly the same as White workers. The company also committed to additional disclosure over time, including unadjusted pay gap data.<sup>10</sup>
- Using materials developed by Freefrom, a national non-profit that works to promote financial security and safety for survivors of Intimate Partner Violence, Trillium initiated a dialogue with several financial institutions on the steps they can take to protect their clients from financial coercion. Trillium initiated discussions with PNC Bank and Umpqua Holdings and saw success when PNC agreed this winter to create and test new procedures to respond to clients experiencing a personal crisis, including providing advice and guidance to bankers when working with clients.<sup>11</sup>
- Brown Advisory undertook a multi-year engagement with a semi-conductor company that did not have a female director on the board for many years. Over the years, Brown undertook multiple conversations with management about ways that they could improve diversity. Eventually, the company appointed its first female director to the Board, and Brown believes that her experience and perspective will add value over time.<sup>12</sup>

### ADVANCING GENDER EQUALITY AND TRANSPARENCY

- Since the launch of the Minority CARES initiative, CCM has provided 828 loans to minority women borrowers as of 09/30/23<sup>13</sup> and in 2023, provided 12 loans and created or retained 318 jobs from minority/women-owned small businesses.<sup>14</sup>





## Important Information and Disclosures

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### FOOTNOTES

<sup>1</sup> Source: YourStake data as of 12/31/2023 compared to the Portfolio Specific Benchmark. The Portfolio Specific Benchmark is created by weighting each underlying funds' benchmark in accordance with that fund's weighting in the portfolio. The percent of a company's board of directors that is female.

<sup>2</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Companies that manufacture or distribute pregnancy termination agents and other companies that enable abortion through health services or supporting health facilities.

<sup>3</sup> Source: YourStake data of 12/31/2023 compared to Portfolio Specific Benchmark. Companies that force arbitration for sexual harassment in employee contracts either as a required measure, or as a default with an opt-out option, receive a score of 100%. Companies that have ended the practice of forced arbitration for sexual harassment or have never used it receive a score of 0%. Forced arbitration agreements make it impossible for workers to sue their employers for sexual harassment.

<sup>4</sup> CapShift analysis

<sup>5</sup> ["Impax Ellevate Global Women's Leadership Fund Brochure," Page 4.](#)

<sup>6</sup> Select top holdings are stories of impact selected from the top 10 equity companies or fixed income investments comprising the largest share of the portfolio that align with the fund's intended strategy.

<sup>7</sup> As of date of last available reporting. ["2022 Environmental, Social & Governance Report," Pg. 3.](#)

<sup>8</sup> As of date of last available reporting. ["Adobe Corporate Social Responsibility Report 2022," Pg. 11.](#)

<sup>9</sup> ["2023 CCM A Look at Gender Lens," Pg. 3.](#)

<sup>10</sup> As of date of last available reporting. ["Impax Ellevate Global Women's Leadership Fund Beyond Financial Returns Report," Pg.7.](#)

<sup>11</sup> ["Advocacy Impact Report," Pg. 5.](#)

<sup>12</sup> Brown Advisory email provided 2/23/24

<sup>13</sup> ["Minority CARES Impact Report," Pg. 2.](#)

<sup>14</sup> ["CCM 2023 Impact Report" Page 11.](#)

## Important Information and Disclosures

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### DEFINITIONS:

**ESG data integration:** Refers to funds that systematically and explicitly include material ESG factors into investment analysis and investment decisions, including exclusion of certain sectors or overindexing towards positive social or environmental focused sectors

**Advocacy & engagement:** Refers to funds who reported on taking actions such as shareholder engagement or proxy voting with underlying holdings in the past year at either the fund or firm level

**Impact outcomes:** Refers to funds who produce reports showing progress against explicit impact goals and targeted metrics in the past year at the fund level

**Note on YourStake Sources:** YourStake gathers data from publicly available sources and cites every data point to ensure verifiability. YourStake looks for data that meet the following criteria:

- Hosted by government, SEC, academic, or trusted NGO sources.\*
- Applies to a broad set of companies, either across a sector, geographical region, or the whole economy.
- Contains quantitative, comparable measures.
- Updated frequently to reflect the current state of the world.

In general, YourStake chooses not to gather data from voluntary company reporting because companies often use different methodologies to report similar metrics, leading to the inability to compare, or worse, misleading comparisons that are not apples-to-apples. Instead, by using third-party and standardized data sources, YourStake can ensure fair comparability. YourStake frequently updates and improves its list of data sources. YourStake has also put together a proprietary database of shareholder engagement actions. This database draws from company reporting, including fund manager impact reports, websites, press releases, blog posts, and the general news media.

\* YourStake determines that an NGO source is a trusted source if it:

- Has a detailed and transparent methodology.
- Is updated frequently,
- Is already used by government regulators or the investor community to analyze, evaluate, or engage with companies.

### DISCLOSURES

The above information does not constitute an offer to sell or a solicitation of an offer to purchase any security. All investments entail a high degree of risk and no assurance can be given that the investment objective will be achieved or that investors will receive a return of their capital. Any investment opportunities highlighted in this document are presented for illustrative purposes only. Additionally, investments may not achieve stated social, environmental, or similar objectives. Opportunities may not be suitable for all investors and past financial or social returns are not indicative of future results.

## About CapShift

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CapShift partners with National Philanthropic Trust to help donors align their donor advised funds' investments with their values to create meaningful impact from the moment capital is donated until it reaches their preferred nonprofit. Learn more about CapShift's partnership with NPT by visiting [this page](#) or by reaching out to us at [hello@capshift.com](mailto:hello@capshift.com).