Calvert

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August 16, 2022

Submitted electronically via SEC.gov

Ms. Vanessa Countryman
Secretary
US Securities and Exchange Commission
100 F Street NE
Washington DC 20549-1090

Re: Investment Company Names (File No. S7-16-22)

Dear Ms. Countryman,

Calvert Research and Management ("Calvert") welcomes the SEC's efforts to support the evolution and maturation of the responsible investment industry. As an asset manager that has been dedicated to responsible investing for nearly 40 years, we have primarily relied on our Calvert Principles for Responsible Investment, our robust ESG research process, and our stewardship efforts to convey the rigor of our responsible investment approach to clients. We recognize, however, that the increasing number of ESG or similarly named funds may confuse end investors. You can find more information about our approach to responsible investment and our investment fund offerings at the end of this letter.

Our comments below outline our views on the proposed inclusion of ESG in the revised Names Rule (we have not commented on other aspects of the Names Rule, which we believe are well documented by industry peers and industry organizations). In general, we believe that the proposed ESG Enhanced Disclosure Rule is a more effective means for educating end investors on the ESG attributes of products and suggest that ESG be omitted from the revised Names Rule and at a minimum excluded from the 80% rule. We also note that the proliferation of ESG related terms will make enforcement and implementation of the Names Rule difficult.

Delay or Omit ESG from Names Rule: Calvert supports the Commission's overall aim of protecting end investors from greenwashing, and generally believe that a fund should only use "ESG" or similar terms in its name when it is an "ESG Focused" fund. However, our view is that the proposed ESG Enhanced Disclosure Rule is a more effective means of informing end investors about the products in which they are investing and assisting them to identify any mismatch between a fund's name and the substance of its prospectus disclosures. We therefore suggest that the Names Rule not be made applicable to ESG strategies, or that this expanded scope be delayed to determine if it is necessary after the ESG Enhanced Disclosure Rule comes into effect.

ESG Term Proliferation: There are a number of ESG related terms and synonyms in use today and it is difficult to ascribe meaning to many of them. Further, new terms are likely to continue to emerge given how rapidly this part of the investment industry is evolving. It is possible that the Names Rule could even promote the adoption of new ESG adjacent terms to avoid being captured by the Rule. The lack of uniformity and pace of change in the industry makes a rule such as the one proposed difficult to implement and enforce.

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80% Investment Policy: Based on the experience of our ESG research team and the various investment teams that support our investment portfolios, there may be a myriad of ESG factors that a manager considers when selecting investments for an ESG strategy, which may vary by company, sector and geography, therefore making it difficult to systematically prove the 80% rule when applied uniformly across an investment universe or universe of fund holdings. We also note that funds may use multiple ESG related terms in their names which would further complicate evidencing the 80% rule.

Therefore, if the Names Rule revisions proceed alongside the ESG Enhanced Disclosure Rule, we propose that the Commission consider simply requiring ESG funds to define the terms used in the name and how they are applied to investments, but not apply the 80% investment policy. Adoption of such an approach can be facilitated by reference to, for example, the CFA's Global ESG Disclosure Standards for Investment Products. Depending on the ESG approaches employed by a fund, the CFA's Global ESG Disclosure standards require a certain set of disclosures relevant to that fund such as details on how ESG information is systematically considered; sources and types of ESG information used in investment decision making; how the fund applies screening; and how portfolio ESG characteristics are evaluated and measured. This enables standardized terms and ways of describing substantive investment processes to emerge over time, without prematurely tying these processes to a term or terms that are prescribed to be used in fund names.

About Calvert Funds

Calvert is a leader in the responsible investing arena and is headquartered in Washington, DC. Calvert traces its roots to Calvert Investment Management (CIM), which was founded in 1976. We launched our first responsible investment fund in 1982 and since have grown one of the largest and most diversified families of responsibly invested mutual funds, encompassing actively and passively managed strategies, U.S. and international equity strategies, fixed-income strategies, and asset allocation funds with $32.6 billion in assets under management as of June 30, 2022. We pursue ESG integration across our equity, fixed income and multi-asset responsible investment strategies and believe that companies that pay attention to ESG-related risks and opportunities will perform better over the long run. All firm investment and stewardship activities are guided by the Calvert Principles for Responsible Investment (Calvert Principles), which are an investment framework for identifying companies and other issuers that provide positive leadership in the areas of their business operations and overall activities that are material to improving long-term shareholder value and societal outcomes. The Calvert ESG research process focuses on identifying financially material ESG risks and opportunities to which issuers are exposed, evaluating management teams' ability to navigate those risks, and recognizing opportunities for companies to improve their ESG performance. Our dedicated in-house ESG research team parses thousands of ever-evolving data points to differentiate issuers based on financially material ESG issues, informing both our investment decisions and our corporate engagement efforts. Our engagement efforts are led by a dedicated in-house team of engagement strategists and specialists who oversee the implementation of our proxy voting program guided by our own voting policy.

Given our history in this space and the rigor of our research and portfolio construction processes, the ESG terminology in our fund names is generally limited. Our active equity, fixed income and multi-asset strategies include only our firm name and a strategy or asset class identifier (e.g, Calvert Bond Fund, Calvert Balanced Fund, Calvert Equity Fund). Our research indexes and associated funds include the term 'Responsible' or thematic terms such as water, energy or diversity, depending on the strategy. All Calvert funds are underpinned by the Calvert Principles and research and stewardship processes described above, which have enabled us to authentically manage a suite of ESG/responsible investment funds for nearly 40 years.