

Impact Report

Quantitative Portfolio: Gender and Diversity

The **Quantitative Portfolio: Impact Large Cap Core - Gender and Diversity** is designed to track the CRSP US Large Cap index by maintaining similar risk characteristics relative to the index. The portfolio invests in companies that are fostering gender and diversity inclusion by focusing on those with strong leadership diversity, anti-discrimination policies, and programs aimed at increasing opportunities for women and minorities. These companies are more likely to create opportunities for women and minority groups to participate fully in business and society as leaders and stakeholders.

Invest in Equality – Invest with Impact

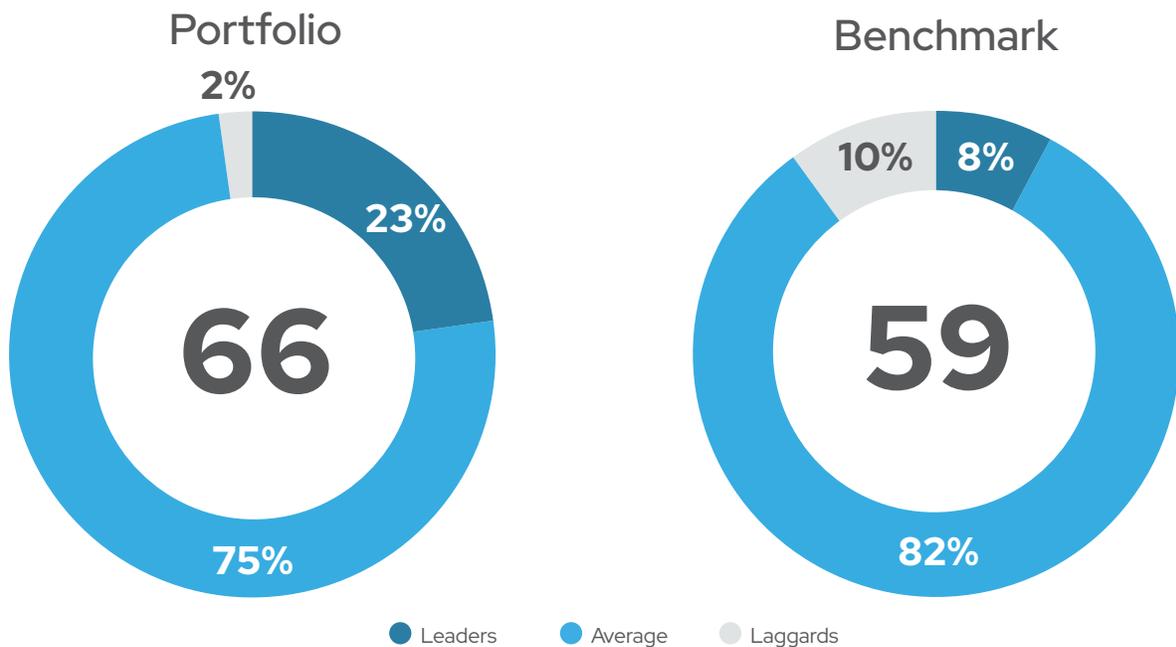
You Support:

-  Equal opportunity for women and minorities across the workforce
-  Inclusionary hiring and career development practices
-  Encouraging cultural understanding and sensitivity in the workplace
-  Respectful and safe work environments for women and minorities

You Avoid:

-  The adult entertainment industry, which has historically exploited women
-  Companies with controversial events related to severe sexual harassments cases

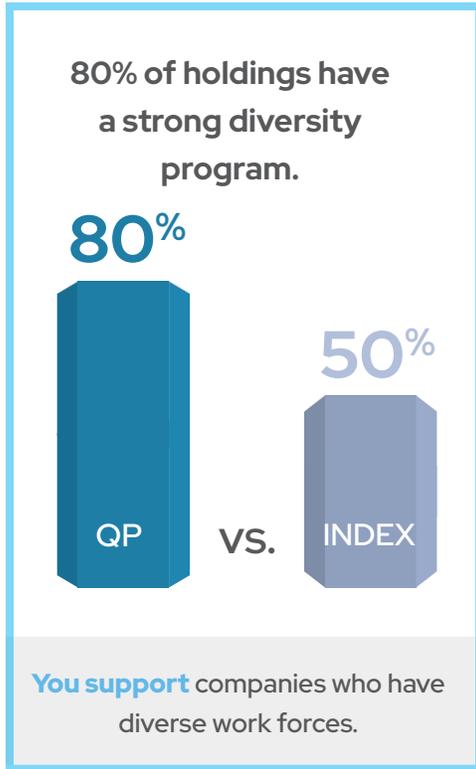
Gender and Diversity Score*



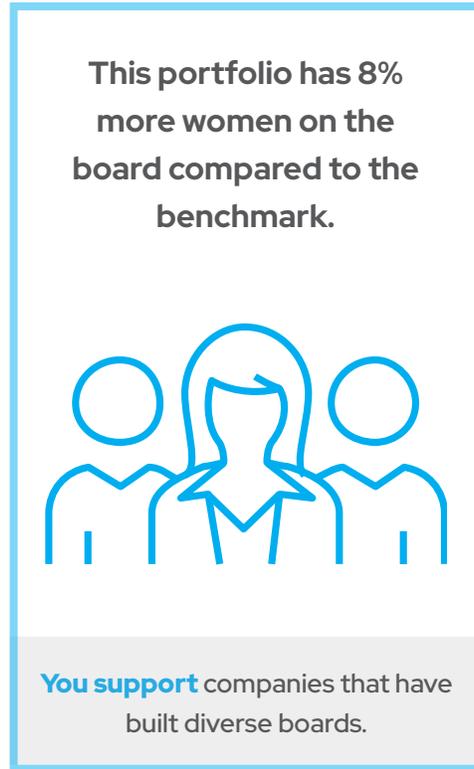
*Portfolio and Benchmark metrics are calculated based on security-level data from Sustainalytics

Gender and Diversity

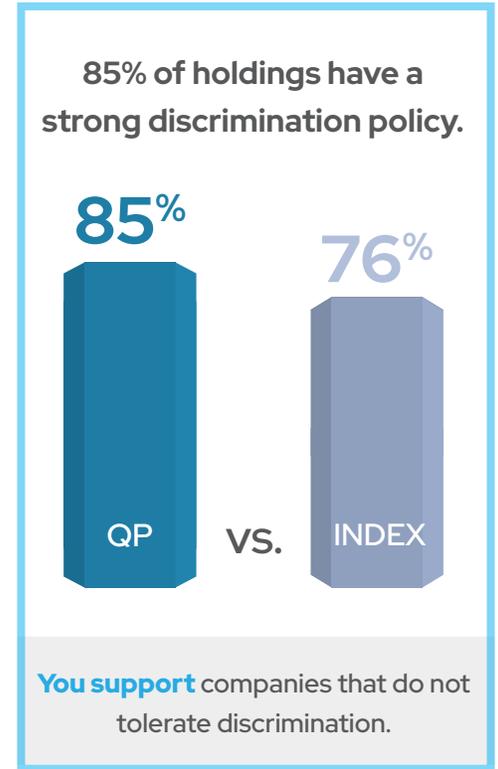
Diversity Program



Women on the Board



Discrimination Policy



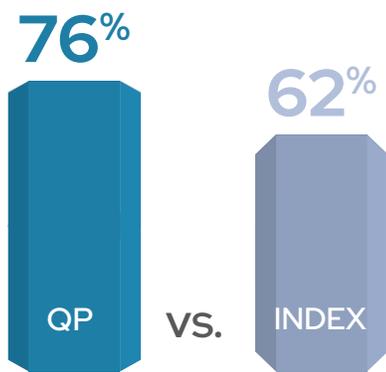
Company Highlight: Kellogg Company (K)

Kellogg has demonstrated a deep commitment to diversity and inclusion across the organization. The Women of Kellogg (WOK) employee resource group in Latin America helped create Networking Together, Mexico's first cross-sector effort to support gender equality. Networking Together consists of 35 companies that meet every two months to share best practices on building a workplace that is more inclusive of women. The WOK in North America, as part of International Women's Day in March, organized a speaking event featuring Pam Cohen, an expert on gender diversity and its impact on a company's financial success. About 800 people attended the event in person and there were over 300 watch parties in seven countries. In Europe a Parenting Transition Coaching Program has been implemented, which provides support to new parents through coaching sessions. The program teaches in-line managers and HR business partners how to better aid employees juggling new family priorities. The ratio of women on the Kellogg Japan leadership team has significantly improved. Currently, four women are part of the nine-member team. In South Korea, Kellogg achieved gender parity among its executive team in 2017. 36 percent of the company's board of directors are female. Kellogg was recognized in Diversity Inc.'s Top 50 Companies for Diversity and is included in Working Mother Diversity Best Practices Leading Inclusion Index.

Gender and Diversity

Flexible Work Programs

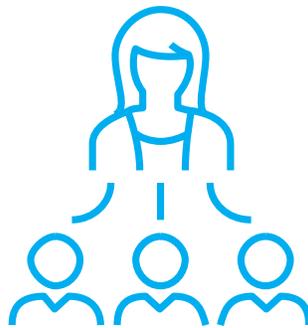
76% of holdings offer flexible work options.



You support companies who give their employees flexibility in their work schedules and locations.

Women in Senior Management

This portfolio has 22% more women in senior management compared to the benchmark.



You support companies that have more women in prominent roles and positions within the business.

Equal Pay Strategy

15% of holdings have an equal pay strategy.



You support companies that have transparency and a commitment to providing equal pay for equal work.



Company Highlight: Bank of America Corp. (BAC)

Bank of America strives to be an inclusive workplace for all employees, which is evident through its strong diversity programs and discrimination policies. The company shines across several diversity metrics, with approximately 30% of the board, 45% of senior management, and 50% of its overall workforce composed of women. Bank of America continually improves its workplace environment by empowering employees and focusing on instilling a culture of mutual respect. On an annual basis, the financial institution publishes a Human Capital Report to set targets and track goals on diversity initiatives and employee relations. Bank of America strongly supports employee growth and retention, with policies on providing a livable wage, equal pay, equal recruitment opportunity, flexible work-life, and career development. Further, Bank of America is an industry leader for parental flexibility by offering four months' leave for both primary and secondary parents. In 2019, Bank of America achieved a top rating on the Best Workplaces for Diversity list.

Sustainalytics Definitions

Gender & Diversity Score

The Gender & Diversity score for a security is a simple average combining Sustainalytics' Board Diversity, Diversity Programs, and Discrimination Policies scores. The metric for the portfolio and benchmark is a weighted average of the individual security Gender & Diversity scores.

Gender & Diversity Leaders

Percentage of companies in the portfolio that are assessed as leaders on diversity, according to Sustainalytics data. The Gender & Diversity Score is calculated as a simple average of three Sustainalytics metrics: Diversity Program, Discrimination Policy, and Board Diversity. These metrics are individually assessed on a 0-100 scale, with 100 being the best, and 0 being the worst. A leader is a company that scores above a 70 on the aggregated metric.

Gender & Diversity Laggards

Percentage of companies in the portfolio that are assessed as laggards on diversity, according to Sustainalytics data. The Gender & Diversity Score is calculated as a simple average of three Sustainalytics metrics: Diversity Program, Discrimination Policy, and Board Diversity. These metrics are individually assessed on a 0-100 scale, with 100 being the best, and 0 being the worst. A laggard is a company that scores below a 25 on the aggregated metric.

Discrimination Policy

The percentage of companies in the portfolio with a score >50 on this metric according to Sustainalytics. >50 is assessed as above average. Sustainalytics assesses each metric on a 0-100 scale, with 100 being the best, i.e. the company has a strong discrimination policy, and 0 being the worst, i.e. the company does not have a discrimination policy or does not disclose one.

The International Labour Organization (ILO) is the set of standards used for this measure. The policy needs to make a clear reference to the relevant ILO convention but does not need to specify the number of the convention. The policy needs to apply to at least 50% of the company's operations and follow the Sustainalytics criteria for a formal policy.

Diversity Programs

The percentage of companies in the portfolio with a score >50 on this metric according to Sustainalytics. >50 is assessed as above average. Sustainalytics assesses each metric on a 0-100 scale, with 100 being the best, i.e. the company has a strong diversity program, and 0 being the worst, i.e. the company does not have a diversity program or does not disclose one.

This measure provides an assessment of the quality of a company's program to increase workforce diversity. An effective and comprehensive workforce diversity program must include measures to attract, hire, retain, and develop a diverse workforce. Initiatives must be targeted at certain groups that may otherwise face barriers entering the workforce or advancing in the corporate ladder (e.g. women, visible minorities, religious minorities, indigenous people and people with disabilities). These "designated groups" vary depending on the local context. General statements on human capital at large are not considered.

Equileap Definitions

Percentage of Women on the Board

This metric is calculated as the average percentage of women on boards for the companies held in the portfolio and the benchmark.

Flexible Work Programs

This metric is calculated as the percentage of companies in the portfolio and the benchmark that offer flexible work programs, according to Equileap data. Flexible work is defined as the option for employees to control and/or vary the start and end times of the work day and/or vary the location from which employees work.

Percentage of Women in Senior Management

This metric is calculated as the average percentage of women in senior management for the companies held in the portfolio and the benchmark.

Equal Pay Strategy

This metric is calculated as the percentage of companies in the portfolio and the benchmark that have an equal pay strategy, according to Equileap data. Equal pay strategy is defined by Equileap as transparency and commitment to provide comparable wages for comparable work.

Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. The SDGs are part of Resolution 70/1 of the United Nations General Assembly, the 2030 Agenda. At the heart of the goals is an urgent call for action by all countries - developed and developing - in a global partnership. The SDGs recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests.

Learn more about Impact Quantitative Portfolios at [Investnet.com/ImpactQPs](https://www.impactinvesting.com/Investment/ImpactQPs)



Quantitative Research Group

Overview

Index performance is presented for illustrative purposes only and does not represent the performance of any specific investment product or portfolio. An investment cannot be made directly into an index.

CRSP US Large Cap Index includes U.S. companies that comprise the top 85% of investable market capitalization. It includes both Mid and Mega capitalization.

Disclosure

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Investments in smaller companies carry greater risk than is customarily associated with larger companies for various reasons such as volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources. Investing overseas involves special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets. Income (bond) funds are subject to interest rate risk which is the risk that debt securities in a fund's portfolio will decline in value because of increases in market interest rates.

Investors should consider the investment objectives, risks, and charges and expenses of mutual funds carefully before investing. A prospectus or summary prospectus which contains this and other information about these funds can be obtained by contacting your Financial Advisor. Please read the prospectus carefully before investing.

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