



Boston Trust Walden
Principled Investing.

PRINCIPLED INVESTING. SUSTAINED STEWARDSHIP.

2023 ESG IMPACT REPORT



WELCOME

For nearly 50 years, Boston Trust Walden's success has been defined by our enduring and disciplined commitment to *Principled Investing*.

Foundational to this commitment is our approach to active ownership. At Boston Trust Walden, we believe companies effectively managing environmental, social, and governance (ESG) risks and opportunities are often better positioned for success in the long term. We not only seek markers of improved performance, but also an examination and evolution of the policies and practices that guide business decision-making. Changing business systems takes time and resources, but it also ensures that progress is intentional and can be sustained over time.

This is why our approach to active ownership is [multifaceted](#), [solutions-oriented](#), and [relationship-focused](#). We prioritize constructive dialogue via multiyear, multiphased engagements that complement our long-term investment approach. We strive to build trust with the companies engaged, offer guidance and resources, and effectively communicate a strong business case for the change we seek.

Several years ago, Boston Trust Walden began a multiyear initiative to urge portfolio companies to annually disclose workforce composition metrics, providing investors consistent, comparable, decision-useful data. By the end of 2023, approximately 65% of companies held across our investment strategies had released comprehensive workforce composition data — compared with approximately 20% in 2021.

In 2023, we implemented a similar multiyear initiative to engage with companies held across our investment strategies encouraging them to set science-based greenhouse gas (GHG) emissions reduction targets. Of the nearly 100 companies we engaged on this topic, almost 70% were small or SMID cap equity holdings. Through our multiphased approach, we spur companies along a climate progression pathway, encouraging more robust disclosure and supporting the capacity building required to decarbonize their businesses.

While direct engagement is foundational to our active ownership, we also seek to transform the systems guiding corporate decision-making. In 2023, Boston Trust Walden continued our decades-long engagement with regulators and standard setters to secure an enabling environment that supports companies in addressing these risks and achieving corporate commitments.

Amidst market changes, geopolitical upheaval, and a deepening climate crisis, change can seem daunting and solutions just out of reach. **But it is in these moments of disruption that our steadfast commitment to *Principled Investing* becomes even more important.**

We believe our blend of ESG integration and active ownership enables us to make a positive, sustained impact on behalf of clients in a manner consistent with their investment objectives that also has a tangible, economic benefit for portfolio companies, society, and the natural environment.



Stephen J. Amyouny
Co-Chief Executive Officer
and Chief Investment Officer



Amy D. Augustine
Director, ESG Investing

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FIRM OVERVIEW

Boston Trust Walden Company is an independent, employee-owned investment management firm with \$15.7 billion in assets under management as of December 31, 2023.*

As an active manager, we focus on investing client assets in securities we judge to be of high financial quality. We believe incorporation of financially material ESG risks and opportunities in the investment decision-making process is consistent with this focus. We integrate ESG considerations across all our investment strategies, leveraging the research and expertise of our in-house analysts. Boston Trust Walden's discretionary investment strategies are managed with ESG considerations and this represents the vast majority of assets under management. Approximately half of these assets employ additional unique ESG criteria designed to align portfolios with our clients' missions and values.

*This figure includes assets managed by Boston Trust Walden Company and its wholly owned investment adviser subsidiary, Boston Trust Walden Inc.

IMPACT INVESTING APPROACH

Since the 1970s, Boston Trust Walden has used its role as an investor to address complex social and environmental issues. Through the levers of active ownership, we encourage the companies in which we invest client assets to adopt better ESG policies and practices because we recognize companies that effectively manage sustainability risks are better positioned for success. Our in-house team uses a range of tools and tactics leveraged from our nearly five decades of experience engaging companies and policymakers both directly and in coalition.

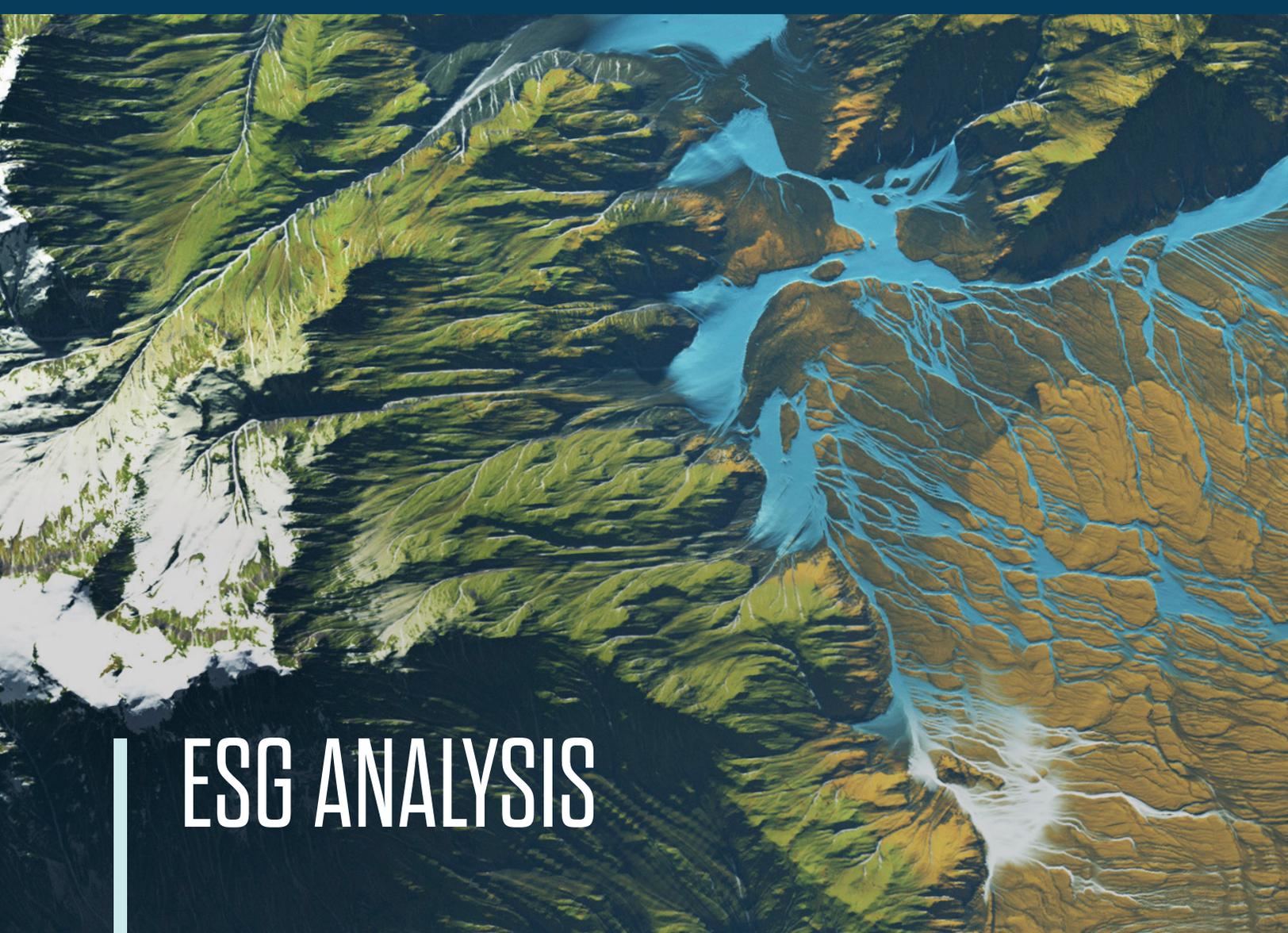
Our multifaceted approach seeks to amplify the **scope** and **scale** of our impact:

- **ESG Analysis:** considering ESG risks and opportunities when making investment decisions
- **Company Engagement:** communicating directly with company management teams or boards
- **Shareholder Resolutions:** filing proposals for vote at company annual general meetings (AGMs)
- **Proxy Voting:** voting on ballot items included in company proxy statements for AGMs
- **Public Policy Advocacy:** engaging at the local, state, national, and international levels
- **Investor Collaborations:** partnering with stakeholders to accelerate and amplify impact
- **Thought Leadership:** raising the bar with respect to ESG analysis and active ownership



LEADERSHIP TIMELINE

- 2023** —  Helped strengthen, through public policy advocacy, corporate board diversity disclosure requirements
- 2021** —  Joined the Net Zero Asset Managers Initiative supporting the goal of net zero greenhouse gas emissions by 2050 or sooner
- 2020** —  Initiated a multiyear campaign to encourage portfolio companies to disclose workforce demographics
- 2018** —  Filed 500th shareholder resolution; ~40% successfully withdrawn with agreement
- 2017** —  Successfully challenged large asset managers to address ESG issues in their proxy voting policies and practices
- 2015** —  Began incorporating Sustainable Development Goals into investment and active ownership practices
- 2010** —  Led, with AFSCME, [Say on Pay](#) initiative on executive compensation accountability
- 2007** —  Became signatory to the Principles for Responsible Investment
- 1999** —  Began managing fossil fuel free portfolios
- 1992** —  Launched [Say No to Non-Diverse Boards](#) — voting against boards of directors without racially, ethnically, and gender diverse candidates
- 1986** —  Filed first shareholder resolution by a mutual fund, prompting a company to negotiate in good faith with its union
- 1975** —  Initiated socially responsive investment services



ESG ANALYSIS

At Boston Trust Walden, ESG analysis serves two purposes: to identify financially material ESG risks and opportunities and to illuminate ESG issues as they relate to our clients' missions or values.

Since 1975, our firm has integrated ESG considerations into investment strategies on behalf of our clients — one of the longest track records of any institutional investment manager. Doing so is integral to our investment philosophy and part of our fiduciary duty to ensure client assets are invested in a set of securities that we believe to be well-positioned to minimize risk and produce sustainable returns. To be competitive, companies must effectively manage material ESG risks and capitalize on emerging opportunities.

We also work with clients to translate their ESG priorities into individually tailored investment portfolios. For each potential investment, our ESG analysts seek to understand a company's business model and evaluate overall performance in four broad categories: corporate governance, human capital management, environmental impacts, and community impacts.

Foundational to our equity research process is recognizing the financial materiality (or significance) of ESG risks and opportunities. For companies considered for investment in client portfolios, an ESG analyst and investment analyst review the company simultaneously and collaboratively. Together our analysts evaluate a company's performance to enhance our understanding of potential financial outcomes associated with issues ranging from risks (e.g., physical risk to operations) to opportunities (e.g., generating new sources of revenue) — and identify if those potential ESG risks and opportunities require further investigation. We illustrate this spectrum in the figure at right.

Issues identified by our analysts range from broad sector considerations to company-specific items. This analysis is informed by potentially material ESG issues, as identified by the SASB Standards, in addition to our own knowledge and experience. Boston Trust Walden analysts seek to identify both risks and opportunities, recognizing ESG factors can be positive, neutral, or negative.

[Read our Case Study on Air Products & Chemicals here.](#)

Investing in companies is frequently a judgment call — one we believe our nearly five decades of experience uniquely position us to make.

Spectrum of Financial Outcomes



“At Boston Trust Walden, we are bottom-up fundamental investors seeking to identify companies with high financial quality and sustainable business models whose stock valuations are reasonable. Integrating ESG considerations into investment decision-making is a critical component of our investment philosophy and research process as well as an important part of our fiduciary duty.”

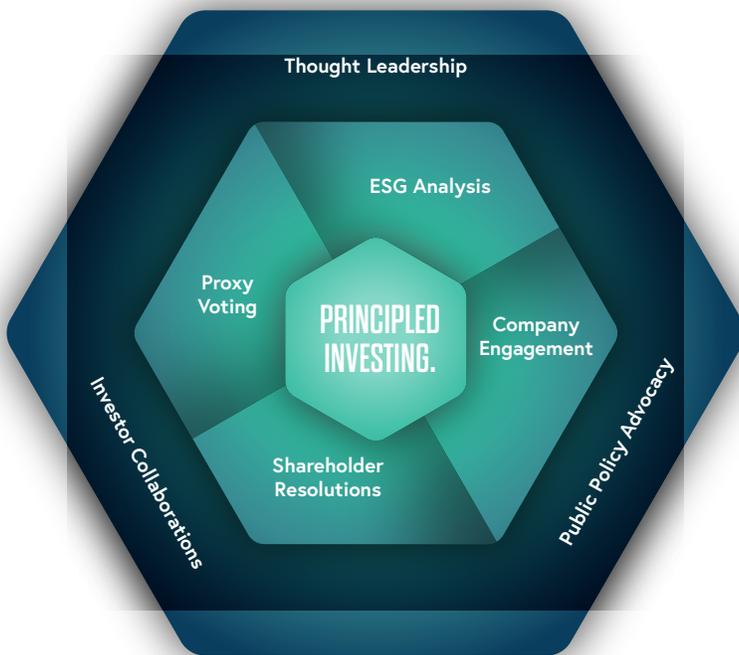
Richard Q. Williams
Managing Director and Director of Equity Investing



ACCELERATING CHANGE THROUGH ACTIVE OWNERSHIP

Boston Trust Walden's impact investing professionals seek to strengthen the sustainability policies, practices, and public reporting of the companies they research through active ownership. Our multifaceted approach to active ownership is designed to amplify our impact across three issue areas: [climate risk](#), [equality](#), and [governance](#). These issue areas are strategically aligned with the diverse interests of our broad client base as well as the deep expertise of the Boston Trust Walden team.

Finding solutions to the urgent sustainability challenges of our time, including persistent inequality and the global climate crisis, requires focused discipline and an understanding of how impact is achieved through the levers of active ownership. To realize change at the pace and scale required, our team of experts combines direct company engagement with multistakeholder initiatives, public policy advocacy, and thought leadership. The sections that follow describe in greater detail how our team uses all these levers to further progress on climate risk, equality, and governance — delivering results on behalf of our clients that enhance the long-term prosperity of investors, businesses, the economy, and society.



“As long-term investors, we believe our blend of ESG analysis and active ownership makes good business sense and helps achieve our clients’ investment objectives. Advancing sustainable business practices via our multifaceted, solutions-oriented approach also helps ensure the engagements we initiate today lead to transformative impact in the months and years to come.”

Amy D. Augustine
Director, ESG Investing



CLIMATE RISK

Getting to Net Zero

In May 2023, the World Meteorological Organization reported with increasing certainty that global temperatures will reach record levels over the next five years.¹ This daunting prediction arrived amidst an already record-breaking year. In the US alone, 23 different billion-dollar weather and climate disasters occurred in just the first eight months of 2023.²

At Boston Trust Walden, we have long recognized the reality that the climate crisis triggers enormous economic, environmental, and human consequences. For companies, these impacts may manifest directly in the form of physical risks (e.g., extreme weather, drought, flooding) and/or transition risks (e.g., technology shifts, rising commodity costs). Companies may also face indirect (e.g., supply chain) and systemic risks (e.g., economy-wide impacts on worker productivity due to heat stress).

As fiduciaries, our firm systematically integrates climate-related risks and opportunities into securities analysis across investment strategies. This is why, in March 2021, we became an early signatory to the Net Zero Asset Managers (NZAM) initiative — an international group of asset managers with individual commitments to achieve net zero greenhouse gas (GHG) emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius and avoid the most catastrophic consequences of climate change.

In line with our management of climate-related risks and opportunities, we encourage companies to pursue a path toward a net zero emissions future by asking them to:

- set GHG emissions reduction targets based on widely accepted scientific research;
- align direct and indirect lobbying policies and activities with the goals of the Paris Agreement; and
- advocate for and support science-based climate policy with lawmakers at the regional, national, and international levels.

The three components of our climate risk engagement strategy are [interrelated](#) and [self-reinforcing](#). As companies set science-based targets, they signal to lawmakers that addressing climate change makes good business sense, enabling legislators and regulators to develop sound public policy solutions. With an informed and effective public policy framework in place, companies are better able to mitigate climate risk and achieve climate-related goals.

In 2023, Boston Trust Walden engaged 66% of companies held across our investment strategies on issues of climate risk. This translates to engagement with 137 companies on issues including setting science-based GHG emissions reduction targets, developing climate transition plans, climate policy advocacy, and science-aligned lobbying.

SCIENCE-BASED TARGETS

In June 2022, Boston Trust Walden formally announced [our own net zero targets](#), which focus on two key areas:

1. moving the companies in which we invest client assets to set science-based greenhouse gas (GHG) emissions reduction targets; and
2. reducing carbon intensity across our investment strategies.

Our primary NZAM target is for 40% of discretionary equity assets under management to be invested in companies with science-based targets by 2025, increasing to 100% by 2040. Active ownership, including direct company engagement and proxy voting, is the primary means by which we will achieve this objective. In 2023, we designed and initiated a multiyear, multiphased engagement strategy focused on those companies held across strategies without science-based targets. This approach seeks to support and advance companies along a climate progression pathway, providing resources to encourage more robust disclosure and the capacity building required to set and achieve science-based targets.

Boston Trust Walden is on a clear path toward achieving our NZAM commitments. Read more about our progress in our [Q3 2023 Impact Report](#).

Different from most peers, our net zero goal spans the market capitalization range and includes discretionary small and SMID cap equity holdings, which comprise a significant portion of our firm's assets under management. We believe companies, no matter their size, have a role to play in addressing direct and systemic climate risks. While "small," these companies also face risks and opportunities associated with climate change and, as such, should take active steps to mitigate impact.

In 2023, Boston Trust Walden engaged 94 companies held across our investment strategies on setting science-based GHG emissions reduction targets; of those, nearly 70% (or 64 companies) were small or SMID cap equity holdings.

Amplifying Our Impact: CDP

We joined CDP in 2003 as an investor signatory seeking to encourage greater corporate climate disclosure. In 2020, we deepened our collaboration with CDP as it launched its Science-Based Targets (SBT) campaign, calling on companies to move beyond disclosure alone and set GHG emissions reduction targets aligned with climate science. In 2023, we continued our support of this campaign, working alongside investors representing more than \$37 trillion in assets under management. Signatories sent letters to more than 1,000 companies, resulting in nearly 10% of companies setting targets via the Science-Based Targets Initiative (SBTi).³

CLIMATE SCIENCE—ALIGNED POLICY

Public policies aligned with the latest science are essential for catalyzing the rapid emissions reductions needed to avoid the most catastrophic consequences of a changing global climate. In 2023, major advances in policymaking unfolded to support the transition to a net zero emissions future. In the US, the Inflation Reduction Act unlocked capital to help businesses and communities address climate change, putting the country on a path toward realizing a 42% reduction in emissions by 2030.⁴ On the global stage, the COP28 climate conference concluded with an unprecedented framework for nations across the world to begin "transitioning away from fossil fuels."⁵

The significance of these milestones is not to be understated, but the need for additional climate science—aligned policymaking remains to ensure companies are supported in meeting their climate commitments. At Boston Trust Walden, we view climate science—aligned public policy engagement as an integral element of a fulsome climate transition plan.

Amplifying Our Impact: LEAD on Climate

Given the urgency of the climate crisis and the importance of policy in advancing solutions, it is crucial that companies play a constructive role. In 2023, Boston Trust Walden worked alongside other investors and companies in advocating for smart climate policies that would support businesses in reducing climate risk and leveraging new market opportunities. In May 2023, Boston Trust Walden was joined by numerous companies held across our investment strategies for the LEAD on a Clean Economy policy day on Capitol Hill. Throughout the event, participants met directly with Congressional representatives to communicate support and encourage uptake of the climate-related provisions within the US Inflation Reduction Act.⁶

ALIGNING POLITICAL ACTIVITY WITH CLIMATE COMMITMENTS

Corporate lobbying activities have a significant influence on climate policy and can either complement or contradict a company's public commitments. Too often corporate lobbying efforts are at odds with companies' stated commitments. Non-transparent and misaligned lobbying and political expenditures can create reputational risks that harm shareholder value and may undermine corporate initiatives to address direct and systemic material ESG risks.

In 2023, as a complement to our active ownership efforts focused on science-based targets, Boston Trust Walden expanded our corporate engagement on climate-science aligned lobbying to include companies across market cap sizes — including many companies within our small and SMID cap equity strategies. Our engagement focused on the importance of aligning both direct and indirect lobbying and political spending activity, underscoring the critical impact of political activity conducted on behalf of companies by their trade associations and other membership organizations.

Amplifying Our Impact: Climate Action 100+

The Climate Action 100+ continues to be a key investor initiative for engaging large, high fossil fuel-emitting companies, many of which have significant influence on public policymaking. We are a lead or contributing investor on seven company engagements conducted via CA100+. Climate science-aligned lobbying remains a key ask within these engagements, and while dialogue is ongoing, we continue to see many companies taking steps to expand climate policy disclosures and better demonstrate alignment of on-the-ground lobbying activities.



EQUALITY

Driving Decision-Useful Disclosure

Good human capital management can facilitate economic mobility, close the opportunity gap within the workplace, and level the playing field across an organization. Employers that foster a culture of diversity, equity, and inclusion (DEI), including robust equal employment opportunity (EEO) policies and programs, benefit from increased worker satisfaction and productivity, an enhanced ability to attract and retain top talent, and reduced employee turnover and associated training costs. Moreover, diverse leadership improves decision-making processes and better reflects demographic trends within customer markets. In contrast, poor management of human resources exposes companies to reputational and litigation risk.

Boston Trust Walden believes companies, investors, and the overall economy benefit from board and workforce diversity that better reflects the marketplace and draws from the broadest talent pool. We also recognize the role public accountability plays in incentivizing swifter progress, which makes board and workforce composition disclosure broadly beneficial. Therefore, we encourage companies to:

- increase representation of persons who self-identify as female or as members of underrepresented group(s) on boards of directors and in senior leadership positions;
- disclose comprehensive and decision-useful human capital management data, including disaggregated workforce composition statistics; and
- adopt, and make public, inclusive EEO policies and practices that explicitly protect LGBTQ+ employees from discrimination.

We view these expectations as **interrelated** and **self-reinforcing** — collectively helping advance diversity, equity, and inclusion at all levels of the company. As academic research demonstrates,^{7,8} increasing board and executive diversity can have significant ripple effects throughout an organization, strengthening corporate culture and improving diverse representation across the workforce, including among critical decision-makers. As diversity in senior leadership improves, this in turn broadens the candidate pools from which future board directors may be selected.

In 2023, Boston Trust Walden engaged 86% of companies held across our investment strategies on issues of equality. This translates to engagement with 179 companies on issues including advancing board diversity, building a more diverse workforce, and creating inclusive workplaces where all employees are respected, welcome, and supported.

ADVANCING BOARD DIVERSITY

Board diversity is a critical attribute of a well-functioning board and a measure of sound governance. For more than 30 years, Boston Trust Walden has been actively engaging companies, regulators, and policymakers to advance diversity within corporate boardrooms. In 1992, we instituted a **Say No to Non-Diverse Boards** initiative, integrating board diversity considerations into our own proxy voting policies — policies that have evolved over time to include not only board composition, but also board nominating policies and practices that collectively help ensure an intentional and sustained commitment to establishing and maintaining a diverse board.

In 2023, we encouraged 119 companies to improve board representation, adopt diverse nomination policies, and enhance board diversity disclosure.

While direct engagement remains foundational to our active ownership efforts, we also recognize the critical importance of clear and consistent public policy and regulation to advance corporate board diversity. Nearly three decades after first integrating board diversity considerations into our proxy voting and company engagements, Nasdaq established its Board Diversity Rule, explicitly requiring companies listed on its US exchange "to disclose board-level diversity statistics annually using a standardized template and to either have, or explain why they do not have, diverse directors."⁹

In 2021, the Securities and Exchange Commission (SEC) approval of this rule was challenged in the US Court of Appeals for the Fifth Circuit ("the Court"). Boston Trust Walden joined an **Amicus Brief** in support of the SEC's decision, making the case that institutional investors and investment advisors consider board diversity, or the lack thereof, in proxy voting and investment decision-making.

In 2023, the Court upheld the board diversity rule, stating the SEC was acting within its authority in approving the requirement and was allowed to consider the opinions of investors who said board diversity information was important to their investment decisions.

Our efforts to advance and strengthen corporate board diversity disclosure continue. In December 2023, Boston Trust Walden sent a [comment letter](#) to the SEC requesting the Commission require all companies trading on US exchanges to disclose board diversity metrics. We again made the case that consistent, comparable, and credible board diversity disclosure data is needed to meet widespread investor demand, implement proxy voting policies, and inform investment decisions. The SEC has signaled that its proposal for a Board Diversity rule is on the regulator's agenda for later in 2024.

Amplifying Our Impact: Thirty Percent Coalition

Boston Trust Walden co-chairs the Thirty Percent Coalition's Institutional Investor Committee alongside the San Francisco Employees Retirement System. We play a leadership role in shaping the coalition's "Adopt a Company" campaign, which has influenced more than 500 companies to increase the diversity of their boards. In October 2023, the coalition sent letters to 57 companies encouraging them to increase diverse representation on their boards, integrate board diversity considerations in corporate governance guidelines, and increase the quality of board diversity disclosures. Recognizing the importance of public policy in advancing board diversity at scale, the coalition also continues to engage regulators and policymakers through its campaign for an SEC Corporate Board Diversity Disclosure Rule.

Strengthening Workforce Disclosure

Diverse, equitable, and inclusive workplaces are essential to addressing economic inequality, strengthening management and innovation, and building long-term shareholder value. To promote accountability for hiring, retaining, and advancing underrepresented groups, we ask companies to publicly disclose data already collected and reported annually to the Equal Employment Opportunity Commission (EEOC) detailing employee composition by gender, race, and ethnicity across job categories. We also ask companies to disclose recruitment, promotion, and retention rates across gender, race, and ethnicity. Consistent, comparable, and comprehensive disclosure regarding DEI policies, practices, and performance over time helps investors determine the effectiveness of companies' human capital management programs.

We have been engaging companies, regulators, and policymakers on workforce composition disclosure for well over three decades. In the early 1990s, for example, we initiated an equal employment opportunity survey of portfolio holdings that included, even then, a request to disclose comprehensive workforce composition statistics across job categories by gender, race, and ethnicity (the EEO-1 Report). This survey was then followed by countless related dialogues and shareholder resolutions when escalation was warranted.

In 2020, Boston Trust Walden launched a multiyear initiative to urge all portfolio holdings to annually disclose workforce composition. We continue to engage nearly all companies held across our investment strategies on this issue.

In 2023, approximately **65%** of companies held across our investment strategies had released workforce composition data in alignment with the EEO-1 report — a significant improvement from approximately **20%** of companies doing so in 2021.

Amplifying Our Impact: Engaging with the SEC

Public policy engagement is a key tool in our multifaceted active ownership strategy, enabling us to expand our reach beyond the companies held in client portfolios. Working with regulators allows us to influence rulemaking — thereby leveling the playing field for all companies and providing investors with the data they need to make informed decisions. In 2021, Boston Trust Walden spearheaded a [letter to SEC Chair Gary Gensler](#) in coordination with the Connecticut State Treasurer, Illinois State Treasurer, Washington State Investment Board, and 59 other investor organizations representing nearly \$1 trillion in assets collectively under management. The letter called on the SEC to mandate disclosure of EEO-1 data. In 2023, Boston Trust Walden continued its efforts, raising this issue directly with the SEC commissioners and their staff during a Capitol Hill advocacy day coordinated by US SIF. Boston Trust Walden joined a small group of investors to meet directly with SEC Commissioners to discuss SEC rulemaking, including the human capital disclosure rule. In follow-up, members of Chair Gensler's staff requested to meet with Boston Trust Walden to learn more about how investors are using this data to inform investment decision-making.

Building More Inclusive Workplaces

The 2020 US Supreme Court ruling on LGBTQ+ rights in the workplace was an important step forward in addressing the previous patchwork of state laws. However, while providing basic workplace protections for LGBTQ+ Americans, the ruling does not extend protections to employees outside the US — nor does it automatically ensure inclusive environments where LGBTQ+ employees can thrive. Inclusive policies — and practices that translate policies into actions — remain essential for companies to attract and retain employees and customers.

We ask companies to adopt and disclose nondiscrimination (e.g., EEO) policies and practices inclusive of sexual orientation and gender identity and expression as public testimony of their commitment to current and prospective LGBTQ+ employees.

Since the early 1990s, Boston Trust Walden has successfully engaged more than 200 companies to adopt fully inclusive EEO policies and practices — in fact, we were one of the first investment firms to ask companies to adopt these policies and we continue to advance LGBTQ+ practices at the companies held across our investment strategies. Each year, we review corporate policies to ensure they are fully inclusive. And when we find companies without publicly disclosed inclusive policies, we act.

In 2023, approximately **99%** of companies held across our investment strategies had in place fully inclusive EEO policies, including protections for LGBTQ+ employees. Our engagement is ongoing with those companies that have not yet established fully inclusive policies.

In partnership with investors and advocates, we have witnessed tremendous progress since the early days of our engagement with companies, especially in the US. In fact, 93% of companies in the Fortune 500 now include sexual orientation in their EEO policies and 91% include gender identity.¹⁰ It's rewarding to look back at how our collective efforts have led to transformative change at the inclusive policy level, yet we recognize work remains to ensure those policies are translated into experienced equality in the workplace.

Diverse representation at the board level can be a key driver for advancing inclusive practices throughout the workplace. This is why in 2023 we continued to support LGBTQ+ inclusion on corporate boards via our defense of the Nasdaq Board Diversity Rule, which includes LGBTQ+ status among the self-identified diversity characteristics of the board's directors.

To understand why the Nasdaq listing standard is long overdue, consider this: only 58 of 7,600 board seats are held by openly LGBTQ+ leaders in the Fortune 1000 (or **0.8%**) and only 39 out of 5,400 board seats in the Fortune 500 are held by 32 openly LGBTQ+ leaders (or **0.7%**); of the 32 openly LGBTQ+ directors in the Fortune 500, 16 self-identify as women, four as Black, five as Latino/a, and one as Asian.¹¹

Our defense of the Nasdaq listing rule and our continued advocacy with the SEC to extend this disclosure requirement to all companies listed on US exchanges underscores the reality that change rarely happens without pushback; but we will persist in articulating why access to this data in a consistent, comparable, and credible format is essential to investors.

Amplifying Our Impact: Count Us In

To advance and scale corporate transparency and accountability on issues of LGBTQ+ equality, we remain committed to continuing our history of public policy advocacy engaging policymakers and regulators. In June 2023, Boston Trust Walden signed the Human Rights Campaign's (HRC) [Count Us In Pledge](#), affirming our continued support for LGBTQ+ equality. The pledge is consistent with our firm's multidecadal work to advance workplace equality via active ownership.



GOVERNANCE

Advancing Standard Setting

Corporate governance refers to board and management-level structures, policies, and processes put in place to oversee and guide the achievement of company objectives. Governance also encompasses how corporate leadership balances the interests of, and is accountable to, multiple stakeholders (e.g., shareholders, customers, employees, suppliers, governments, local communities).

Boston Trust Walden advocates for leading practice corporate governance reforms because we believe strong oversight, transparency, and accountability mechanisms enhance management of ESG risks and opportunities. These reforms include encouraging companies to adopt policies requiring independent board chairs and annual elections of directors; increasing gender, race, and ethnic diversity on boards of directors and in senior leadership; and promoting executive compensation accountability through shareholder approval of pay packages (known as Say on Pay).

As the scope and urgency of society's greatest challenges have evolved, so have our priorities for governance reform. Our current focus is to encourage companies to:

- disclose comprehensive and decision-useful sustainability data, including actionable ESG metrics and goals; and
- enhance transparency regarding lobbying policies, oversight, and expenditures, and alignment with corporate positions on ESG risks and opportunities.

In 2023, Boston Trust Walden engaged **44%** of companies held across our investment strategies on governance practices. This translates to engagement with **92** companies on issues including ESG disclosure, lobbying alignment, board and management accountability, and compensation, among others.

While direct engagement remains foundational to our active ownership efforts, we also recognize the critical importance of clear and consistent public policy and regulation to advance corporate transparency and accountability. In 2023, Boston Trust Walden also continued our decades-long efforts to engage regulators, policymakers, and standard setters in the US and globally to ensure robust corporate ESG disclosure frameworks and to protect critical shareholder rights.

THE GLOBAL EVOLUTION OF CORPORATE ESG DISCLOSURE

To price risks appropriately and allocate capital responsibly and efficiently, investors require access to rigorous, standardized, and high-quality corporate disclosures. Standardized frameworks and regulations guiding the content of corporate ESG disclosures can level the playing field for companies and provide investors decision-useful information.

Historically, corporate sustainability disclosures have varied widely in both scope and content, hindering the ability of investors to consistently integrate material ESG information into the investment decision-making process. While voluntary disclosure has increased in recent years, the lack of regulatory mandates and standardized frameworks has allowed companies to self-select which metrics and information to disclose, spurring a lack of comparability and confusion among investors about which disclosures to trust and use. Regulators and non-governmental organizations — both here in the US and globally — have continuously sought solutions to address these data gaps. The result, however, is an alphabet soup of frameworks and guidance that overlap and compete with one another.

For example, in the European Union, the [Corporate Sustainability Reporting Directive](#) requires a series of detailed reporting requirements on ESG issues and is expected to affect more than 50,000 companies globally. These reporting requirements go beyond the direct impacts of a corporation, extending to impacts within the value chain. Meanwhile, in the US, the evolution of corporate sustainability disclosures has been driven by voluntary adherence to a range of sustainability frameworks introduced by individual standard setters, including the Global Reporting Initiative (GRI), CDP, the SASB Standards, and the Task Force for Climate-Related Financial Disclosures (TCFD), among many others.

As consumers of corporate ESG disclosures, we actively encourage companies to use frameworks that deliver decision-useful corporate ESG disclosures and we also engage regulators and standard setters to increase alignment across rulemaking and disclosure frameworks.

In 2017, Boston Trust Walden joined as one of the earliest members of the SASB Standards Investor Advisory Group (IAG), promoting the uptake of the SASB Standards among our portfolio holdings and contributing to the ongoing evolution of the Standards themselves. In our role on the IAG, Boston Trust Walden played a key role in facilitating corporate investor dialogues — contributing to the more than 3,200 companies now reporting in alignment with the Standards across more than 80 jurisdictions around the world.¹²

In 2023, Boston Trust Walden engaged **48** companies held across our investment strategies seeking the expansion of sustainability reporting to include alignment with the SASB Standards. In response, half of those companies reported in alignment with the SASB standards for the very first time.

While uptake of the SASB Standards has been swift, gaps in the completeness and comparability of sustainability disclosures remain across global jurisdictions. To meet demand for a comprehensive global baseline of sustainability-related disclosures, the International Financial Reporting Standards (IFRS) Foundation established the International Sustainability Standards Board (ISSB). The ISSB is now home to two of the most well-received corporate ESG disclosure standards — the SASB Standards and the TCFD recommendations. The ISSB strategically leveraged these frameworks as a foundation and subsequently published the first globally aligned disclosure standards in June of 2023 — IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS 2: Climate-related Disclosures.

With the consolidation of the SASB Standards and its parent organization within the ISSB, Boston Trust Walden is now a member of the ISSB Investor Advisory Group (IIAG) and remains actively engaged in the development, and now implementation, of IFRS standards. Since launch, the IFRS Sustainability Disclosure Standards are becoming the de facto global framework.¹³

Amplifying Our Impact: COP28

To further drive global uptake, ahead of COP28 Boston Trust Walden joined nearly 400 global organizations in signing a Declaration of Support for the ISSB Climate Standard (also known as IFRS S2), recognizing it as a global baseline for consistent and comparable climate-related disclosures. Signatories to the statement represented organizations of all sizes from every continent, underscoring the growing demand for a global baseline.

“The ISSB designed IFRS Sustainability Disclosure Standards to provide decision-useful information to investors while being proportionate for companies and ensuring compatibility with jurisdiction-specific and broader stakeholder disclosures. Institutional investor support, including that of Boston Trust Walden, has been crucial in establishing the ISSB and encouraging adoption of our foundational global baseline for sustainability-related financial disclosures.”

Katie Schmitz Eulitt
Director Outreach – Global Investors,
IFRS Foundation



AMPLIFYING OUR IMPACT

On its own, Boston Trust Walden has the opportunity to influence the decision-making of hundreds of companies — advocating for improved disclosures and practices that mitigate material ESG risks and capitalize on key business opportunities. And while direct engagement remains foundational to our work and our primary mechanism for fostering positive change at the companies in which we invest client assets, it is our ongoing commitment to a multifaceted, collaborative active ownership strategy that accelerates and amplifies the results we achieve on behalf of our clients. Our dedication to investor collaboration and public policy advocacy allows us to not only influence the decision-making of the companies held across our investment strategies, but potentially hundreds — if not thousands — more.

Collaboration allows Boston Trust Walden to engage on issues beyond our focus areas of climate risk, equality, and governance. Often these issues intersect, providing enhanced opportunities to expand our overall reach and impact. In many instances, these collaborations provide opportunity to engage when an issue beyond our focus areas is a material concern for the companies in which we invest client assets. Our team strategically leverages the power of our collaborative partnerships, contributing our expertise and experience in the collective pursuit of meaningful change.

These collaborations complement Boston Trust Walden's independent commitments and support our fiduciary duty to ensure client assets are invested in securities well-situated to minimize risk and produce sustainable returns. Below are two illustrative examples of Boston Trust Walden's efforts to amplify our impact; other examples are highlighted throughout this report.

US SIF: THE SUSTAINABLE INVESTMENT FORUM

Public policy advocacy is among Boston Trust Walden's most powerful and critical levers for change. For decades, our firm has recognized the importance of clear and consistent public policy and regulation to advance corporate transparency and accountability. We engage with policymakers and regulators both directly and in collaboration with partner organizations. One of our key partners in public policy advocacy is US SIF: The Sustainable Investment Forum (US SIF).

US SIF is an investor membership organization focused on advancing sustainable investing across all asset classes. US SIF members represent more than \$5 trillion in assets under management or advisement. Boston Trust Walden is a founding member of US SIF, with representation on the US SIF Board of Directors as well as the Public Policy and Research Committees.

In 2023, Boston Trust Walden joined other members of US SIF on Capitol Hill to engage policymakers and regulators on the topics of ESG investing and corporate disclosure standards. Members of our team met with representatives of the US House and Senate to share our multidecadal experience integrating ESG risks and opportunities into our investment process on behalf of our clients. We also had the opportunity to meet individually with three Commissioners of the SEC, offering each our perspective on the need for investor-grade corporate ESG disclosure.

Such opportunities for direct engagement with policymakers and regulators, coordinated by US SIF, have proven invaluable for Boston Trust Walden and other investors to effectively participate in the rulemaking process. In this pivotal year ahead, we will continue our efforts to advance corporate disclosure standards, encourage climate science-aligned public policy, and protect our rights as shareowners to engage with companies on issues of governance and long-term value creation.

THE FAIRR INITIATIVE

The FAIRR Initiative (FAIRR) is a global investor network aimed at addressing key ESG risks and opportunities within the global food sector. Today, the FAIRR investor network represents more than \$70 trillion in assets under management and membership spans over 400 organizations. Boston Trust Walden is a signatory to a number of

collaborative initiatives, including the excessive use of antibiotics in animal agriculture, the sustainable management of animal waste and nutrient pollution, and the shift to less GHG-intensive forms of protein in Western diets.

Our collaboration with FAIRR has also supported our global public policy efforts. In 2021, Boston Trust Walden signed a FAIRR-organized investor statement calling on global jurisdictions to include specific emissions reduction targets related to land use change and agriculture within their nationally determined contributions (NDCs). Two years later, at COP28, more than 130 countries signed a Declaration on Food Systems, Agriculture, and Climate Action that contains a specific commitment to strengthen the integration of agriculture and food systems within NDCs by 2025.

As an example of further influence, in 2022 Boston Trust Walden joined a FAIRR-organized investor letter to the UN Food and Agriculture Organization (FAO) calling for a 1.5 degrees Celsius-aligned roadmap for the agriculture sector. At COP28, the FAO published a roadmap for aligning the global food system with a 1.5 degrees Celsius ambition.

For a list of our key 2023 partnerships, please reference the [Appendix on page 38](#).



ENGAGEMENT RESULTS

Since 1975, Boston Trust Walden has encouraged companies to adopt better ESG policies and practices to address material ESG risks and to protect the planet and its people.

In keeping with our commitment to accountability through disclosure, we seek to be transparent regarding what we count as "**reach**" and "**impact**." Since 2016, Boston Trust Walden has measured reach as the number of companies on the receiving end of engagement and impact as a definitive improvement in a company's policies, practices, or performance disclosure.

We consider engagement to be successful when we observe progress toward one or more of three potential outcomes:

- better corporate policies (e.g., nominating charters explicitly incorporating a commitment to gender, racial, and ethnic diversity);
- more sustainable business practices (e.g., adoption of a science-based GHG emissions reduction goal); or
- enhanced public reporting (e.g., ESG reporting aligned with SASB standards).

It is important to note that while our direct engagement frequently catalyzes progress, we are one of many stakeholders influencing change. Similarly, our guidance can sometimes bolster corporate advocates already committed to making changes within their businesses. Finally, progress is often incremental and can span multiple years. As evidenced by the active ownership examples within this report, meaningful progress happens along this continuum.

REACH AND IMPACT RESULTS

In 2023, we engaged **83%** of the companies held across our investment strategies. Nearly half of these companies demonstrated improvement, translating to an impact rate of **44%**.

We encourage improved ESG performance at companies using numerous strategies, from direct dialogue with company executives to participating in broad-based coalitions. In fact, when taking into account the companies engaged through coalitions, we reached hundreds more beyond our portfolio holdings. This exemplifies what we mean when we say our multifaceted approach amplifies the scope and scale of our impact.

Boston Trust Walden prioritizes active ownership efforts across three issue areas: climate risk, equality, and governance. These issue areas are strategically aligned with the diverse interests of our broad client base as well as the deep expertise of the Boston Trust Walden team. Many of our engagements with companies address a multitude of these issues concurrently and, importantly, seek to draw meaningful and material connections among them.

Of the 209 companies Boston Trust Walden reached via active ownership in 2023, we engaged:



44% on Governance

- Decision-useful disclosure
- Lobbying and political spending transparency



66% on Climate Risk

- GHG emissions reduction targets
- Climate action plans
- Climate science-aligned policy



86% on Equality

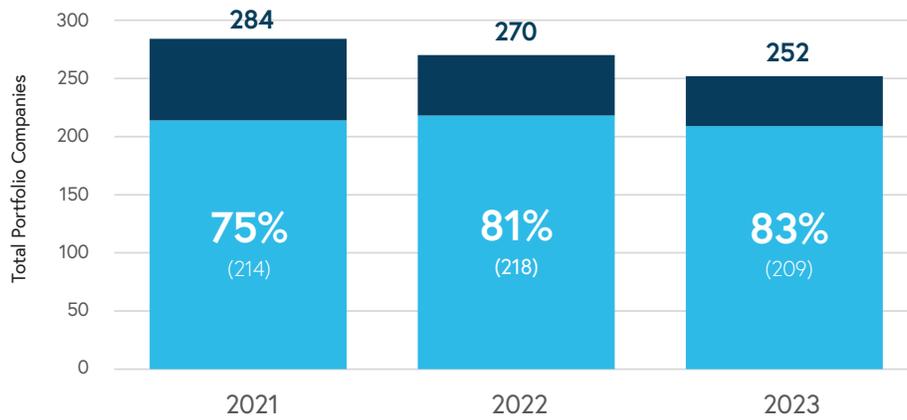
- Board and senior leadership diversity
- Workforce composition disclosure
- LGBTQ+ inclusive policies and practices

The above figures represent the majority of Boston Trust Walden engagements during the year. As explained in this report, we also engaged companies on issues beyond our focus areas. Boston Trust Walden measures reach as the number of companies on the receiving end of engagement and impact as a definitive improvement in a company's policies, practices, or performance disclosure. For more information, please refer to our [summary](#) of methodology and the limitations to measuring impact.

Changing business systems takes time and resources. Additionally, the efforts required by companies to improve ESG practices can vary substantially. For example, amending a corporate governance policy is significantly less time- and resource-intensive than developing and implementing science-based GHG emissions reduction goals. This is one of the reasons our engagements with companies often span multiple years, and why there can be variability in impact achieved from one year to the next. To view a list of portfolio companies we engaged in 2023 that demonstrated progress, please reference the [Appendix on page 38](#).

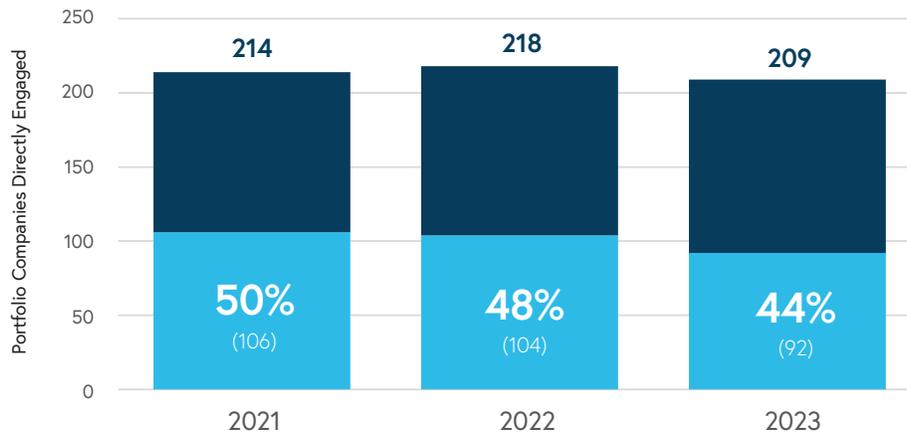
Reach Results Over Three Years

Portfolio companies we directly engaged through December 31



Impact Results Over Three Years

Measurable, positive change in policies, practices, and performance disclosure observed through December 31



The engagement universe is inclusive of companies held during the year across investment strategies. Companies that are unique to the Boston Trust Walden International Equity Fund are currently excluded from the universe, pending an evaluation of the opportunities for engagement and strategy assets. **Past performance does not guarantee future results.**

IMPACT THROUGH THE LENS OF THE SUSTAINABLE DEVELOPMENT GOALS

Boston Trust Walden remains a leading US investor voice on the Sustainable Development Goals (SDGs), which provide a common language and framework for companies, investors, and civil society to grapple with complex, urgent issues such as ending poverty, reducing inequality, and protecting natural resources — issues that are often interrelated and interdependent (e.g., human health and planetary health).

As an investor who considers the systemic risks posed to long-term economic growth by the climate crisis, inequality, and resource scarcity, we understand we have a role to play in supporting the SDGs and remain committed to advancing their objectives.

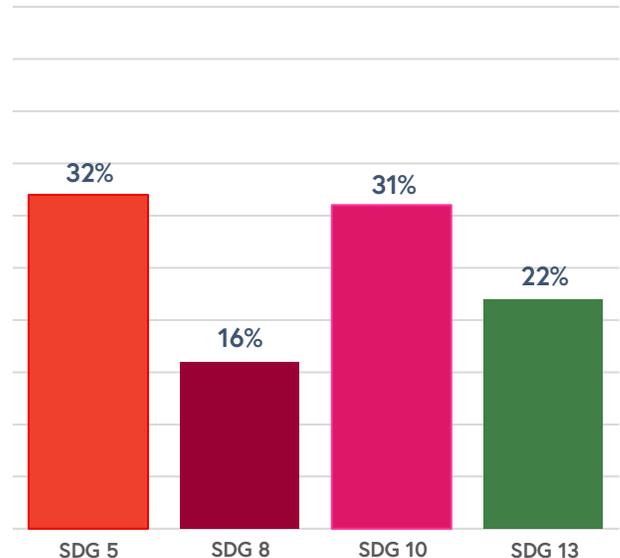
The SDGs also offer a global lens through which to measure and communicate Boston Trust Walden's impact. In 2023, our active ownership initiatives touched 11 of the 17 goals, with strong results across those SDGs most aligned with our focus areas of climate risk, equality, and governance.

The outcomes of these changes amplify Boston Trust Walden's impact well beyond its portfolio holdings. For example, progress ensuring more equitable workplaces in US companies tends to cascade throughout global supply chains; racially, ethnically, and gender diverse employees taking on more senior roles can translate into diverse candidate pools from which future boards of directors are chosen; and improved pay equity practices help address economic inequality that benefits workers, their families, their communities, and society at large. Similarly, actions to mitigate GHG emissions and advance renewable energy production and sourcing can have immense ripple effects influencing the availability of freshwater and other natural resources, which in turn can have cascading impacts on the state of global poverty and gender equity.

Number of Companies We Engaged by SDG



Impact Rate by Engagement Focus Area



Impact Rate is expressed as the percentage of companies demonstrating improvement relative to the companies reached through engagement. Due to the interconnected nature of the SDGs, a single engagement may address themes related to multiple SDGs at once. The chart above represents our best determination of the appropriate SDG category for each engagement. A company could be counted in more than one SDG due to multiple engagements throughout the year.



2023 PROXY SEASON

Each year at company annual meetings, shareholder proposals enable proponents to harness the collective voice and vote of supportive stockholders to improve company policies, practices, and performance. The 2023 proxy season featured many familiar and consistent trends from years past, but also some new and emerging themes reflecting the changing economic, social, and environmental context for business.

The number of shareholder proposals appearing on the ballots of company annual meetings continues to eclipse historical levels as more shareholders become active in the proposal filing process, with climate risk representing the most frequent topic. The average support for shareholder proposals overall fell below 20% in 2023, a precipitous drop from a high of over 31% in 2021. The season saw just nine proposals receiving majority support from shareholders compared to 34 just two years prior.

A series of factors may be contributing to this shift in support. One example is the rising number of proposals filed by a small number of "anti-ESG" proponents — those seeking to compel company action antithetical to the objectives of traditional ESG-related resolutions. These actors filed 84 such proposals in 2023 after putting forward only 33 in 2021. These proposals tend to fare poorly, often receiving less than 5% support, bringing down the average level of support for all shareholder proposals.¹⁴

Amidst the noise, Boston Trust Walden's voting record has remained consistent, demonstrating the principled approach we bring to stewarding the assets of our clients.

HOW BOSTON TRUST WALDEN VOTED *for the year ended June 30, 2023*

During the 2023 proxy season, Boston Trust Walden supported at least one shareholder proposal at 62 of the 69 annual meetings of portfolio companies at which such proposals were filed. Of the 203 shareholder proposals observed at portfolio companies, we supported nearly 65%, reflecting our process to carefully consider individual proposals and evaluate the merit of each request in addressing significant ESG risks and opportunities and fostering creation of long-term shareholder value. In 2023, Boston Trust Walden voted against management recommendations on at least one ballot item at 73% of company meetings, up from 51% in 2021.

Directors

Boards of directors play an instrumental role in the oversight of management and the implementation of corporate strategy. In 2023, we voted against at least one director at 45% of companies, an increase from 42% last year. Our rationales for voting against directors included inadequate board diversity, overboarding of directors, a lack of responsiveness to shareholder concerns, problematic governance structures, or demonstrable failures in ESG risk management.

Executive Compensation

Annual meetings routinely give us the opportunity to affirm company compensation programs for executives ("Say on Pay") and provide a mechanism and impetus for constructive engagement between shareholders and directors on pay issues. Boston Trust Walden believes executive pay programs should be fair, competitive, and create appropriate incentives to promote long-term shareholder value. Our approach led to votes against executive compensation programs at 28% of companies — an increase from 26% in 2021 and 18% in 2020.

BOSTON TRUST WALDEN PROXY VOTING RECORD *for year ended June 30*

ISS Proposal Categories	Total Votes <i>For</i>	Total Votes <i>Against</i>
Anti-Takeover Related	15	0
Capitalization	49	0
Directors Related	1670	337
Remuneration Related	250	74
Reorganization and Mergers	6	0
Routine/Business	276	13
Shareholder Proposal - Compensation	15	4
Shareholder Proposal - Corporate Governance	11	1
Shareholder Proposal - Directors Related	23	2
Shareholder Proposal - Health/Environment	25	19
Shareholder Proposal - Social	54	23
Shareholder Proposal - Environmental & Social Counterproposal	0	15
Shareholder Proposal - Other/Miscellaneous*	3	8
Total**	2397	496

*Includes resolutions categorized by ISS as "Miscellaneous" and those related to amendment of company articles.

**For a complete view of our mutual fund votes, please refer to our 2023 Proxy Voting Record on www.bostontrustwalden.com/investment-services/mutual-funds.

# Annual General Meetings	227
# Companies where we voted against management/abstained from at least one ballot item	165
% Companies where we had at least one vote <i>against</i> management	73%
% Companies where we had at least one vote <i>for</i> a shareholder proposal	90%

POST-PROXY OUTREACH

In 2023, we continued to leverage proxy voting as an integrated component of our corporate engagement strategies. In cases where Boston Trust Walden voted against management's recommendations related to our priority areas (climate risk, equality, and governance), we communicated the rationale for our vote and set the stage for future engagement. Reaching more than 100 companies in 2023, we consider this post-proxy outreach to be a critical element of the cyclical and reinforcing design of Boston Trust Walden's active ownership strategy.

For more commentary on the 2023 proxy season, please read our [2nd quarter 2023 ESG impact report](#).

In 2023, Boston Trust Walden's post-proxy outreach extended to more than 100 companies, creating a foundation for future engagement.

BOSTON TRUST WALDEN SHAREHOLDER RESOLUTIONS

At Boston Trust Walden, we engage companies to strengthen business systems and decision-making practices and, often, that change can take time. This is why our team views active ownership on a multiyear time horizon and leverages a multifaceted approach. While direct engagement is always our first step, we employ shareholder resolutions when our attempts at engagement via dialogue are unproductive.

The ultimate goal of our engagement efforts is to observe a measurable improvement in a company's ESG policies, practices, or performance. And while a resolution is a valuable tool, a successful company engagement may mean our shareholder resolution never makes it to the printed proxy statement but is instead withdrawn because the company agrees to take meaningful action. Moreover, a successful and constructive engagement may mean we avoid filing a resolution at all.

During the 2023 proxy season, Boston Trust Walden led four shareholder resolutions, two of which were withdrawn based on negotiated corporate commitments. Boston Trust Walden withdrew a board diversity proposal at Medpace Holdings after the company nominated a racially/ethnically diverse board director. And the withdrawal of our resolution with UPS, calling for greater transparency of the company's lobbying and political expenditure policies and performance, offers a valuable [case study](#) of how success can be delivered through persistent engagement.

Of the resolutions that went to vote, our proposal at Texas Roadhouse seeking greater evidence of climate risk management efforts received support from over 40% of shareholders. A resolution with Alphabet seeking an evaluation of direct and indirect lobbying alignment with the Paris Climate Agreement received 14.2% support; however, given Alphabet has stock with unequal voting rights, voting support is likely understated.*

*Voting support may be understated for Alphabet because they have stock with unequal voting rights (super-voting rights) that translates to significant insider control of the proxy vote. Shares with super-voting rights accounted for approximately 60% of the votes at Alphabet according to the company annual report as of December 31, 2022.

BOSTON TRUST WALDEN RESOLUTIONS AND RESULTS		
Focus Area	Our Request	Result
Climate Risk	Demonstrate if and how the company is aligning its business and supply chain with the goals of the Paris Agreement	Texas Roadhouse (40.4% support)
	Evaluate and report on alignment of direct and indirect lobbying activity/political expenditures with the company's climate commitments and address plans to mitigate the risks presented by any misalignment	Alphabet (14.2% support)
Equality	Report on actions to enhance board diversity, such as implementing leading practice nominating and governance policies and proxy disclosure	Medpace Holdings (resolution withdrawn)
Governance	Expand disclosure of political expenditures and lobbying activities and disclose the policies and processes that guide this spending	United Parcel Service (resolution withdrawn)



OUR FIRM'S COMMITMENT TO ACCOUNTABILITY

Since we began integrating ESG risks and opportunities into our investment decision-making nearly five decades ago, Boston Trust Walden has embraced transparency and accountability. We believe it is imperative to hold ourselves to the same standards of transparency and accountability we expect from portfolio companies, so we aim to proactively disclose the details of our multifaceted approach, explain clearly how we integrate ESG considerations into our investment decision-making, and provide evidence of how we are driving impact via our active ownership strategies.

GOVERNANCE OF ESG INVESTING

Boston Trust Walden ensures robust oversight for its activities with respect to both the integration of ESG within investment decision-making and the implementation of ESG-related active ownership activities.

Boston Trust Walden's eight managing directors have board and management-level roles in our employee-owned organization. They oversee the investment activities of Boston Trust Walden, including investment strategy and implementation that is inclusive of our consideration of ESG risks and opportunities.

Boston Trust Walden's Co-Chief Executive Officers (Co-CEOs) manage the strategic priorities of the firm. The Director of ESG Investing reports to one of the Co-CEOs and manages an eight-person in-house ESG team responsible for ESG analysis and active ownership strategies, including direct engagement, proxy voting, public policy advocacy, and thought leadership.

The Boston Trust Walden Active Ownership Committee (AOC) oversees and affirms the firm's activities related to proxy voting, company engagement, and public policy advocacy. Chaired by a Portfolio Manager, AOC includes the Chief Investment Officer (also a Co-CEO), the Director of ESG Investing, the Manager of ESG Integration, the Manager of Proxy Voting, and other investment professionals.

The ESG Research and Engagement Committee (REC) also plays an important role. Chaired by the Director of ESG Investing, REC includes a Co-CEO, directors, portfolio managers, investment analysts, and dedicated ESG professionals. The committee reviews and discusses active ownership strategies as well as noteworthy topics related to ESG analysis, engagement focus areas (climate risk, equality, and governance), and trends in the impact investing industry.

TASK FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In 2023, the Financial Stability Board (FSB) announced that the Taskforce for Climate-related Financial Disclosures (TCFD) will sunset in 2024. Moving forward, the TCFD monitoring responsibilities will be fulfilled by the International Financial Reporting Standards (IFRS) Foundation. Boston Trust Walden will continue to align our reporting with the TCFD framework regarding our efforts to address climate risk.

Our 2023 report [Principled Investing and Climate Risk](#) discloses our efforts across the four TCFD recommended thematic areas and describes how we incorporate climate risk into our investment decisions and active ownership efforts. Highlights include:

- our robust process to identify, assess, and integrate climate risks and opportunities into investment decision-making across investment strategies;
- our firmwide commitments supporting the Net Zero Asset Managers initiative and reaching net zero emissions by 2050 or earlier;

- our direct and collaborative climate-related company engagement, public policy advocacy, and proxy voting practices; and
- the weighted average carbon intensity of our model portfolios compared to their respective benchmarks.

Boston Trust Walden is committed to updating these disclosures annually. We also encourage the companies in which we invest client assets to do the same.

WALKING THE TALK: OUR FIRM'S ESG PERFORMANCE

Just as we hold the companies held across our investment strategies to certain expectations, so too do we hold ourselves accountable to "walking the talk." Evidence of this can be seen throughout this report in the transparency of our investment approach, disclosure of the results of active ownership activities, and our firmwide commitment to the Net Zero Asset Managers initiative.

In support of this unwavering commitment to transparency and accountability, Boston Trust Walden reports information on our corporate ESG performance annually. In 2023, we disclosed this information via our first standalone firmwide corporate sustainability report, entitled [Putting Principles into Action](#). The report shares details of our firm's environmental impact; political spending and lobbying practices; community engagement; diversity, equity, and inclusion (DEI) policies and practices; as well as information on our workforce composition. We aim to publish this report annually each spring.

"Our organizational success is dependent on our commitment to the concept of 'Principled Investing.' This phrase symbolizes who we are as a company, including our dedication to delivering desired investment outcomes for clients, sustaining our leadership in ESG investing, maintaining our independence as an employee-owned firm, and upholding shared values in our workplace."

Kenneth Scott
Co-Chief Executive Officer

APPENDIX

PORTFOLIO COMPANIES WE ENGAGED THAT DEMONSTRATED PROGRESS IN 2023

Company Name	Area(s) of Progress
A. O. Smith Corporation	Climate risk
Acuity Brands, Inc.	Climate risk
Alexandria Real Estate Equities, Inc.	ESG reporting
AMETEK, Inc.	ESG reporting
Analog Devices, Inc.	Workforce composition disclosure
Applied Industrial Technologies, Inc.	Climate risk, workforce composition disclosure
Atrion Corporation	Inclusive EEO policies
Automatic Data Processing, Inc.	Board diversity
Badger Meter, Inc.	Board diversity
Ball Corporation	Workforce composition disclosure
Brown & Brown, Inc.	Board diversity
Cable One, Inc.	Board diversity
Camden National Corporation	ESG reporting
Canadian National Railway Co.	Workforce composition disclosure
Cathay General Bancorp	ESG reporting
Cavco Industries, Inc.	ESG reporting
Check Point Software Technologies Ltd.	Climate risk, ESG reporting, workforce composition disclosure
Chemed Corporation	Board diversity
Choice Hotels International, Inc.	Climate risk, ESG reporting, human rights, workforce composition disclosure
Chubb Limited	Board diversity, ESG reporting
Cohen & Steers, Inc.	Board diversity
Colgate-Palmolive Company	Climate risk
Comcast Corporation	Climate risk, lobbying transparency
Commerce Bancshares, Inc.	Board diversity
Compagnie Financière Richemont SA	Deforestation
Cooper Companies, Inc.	Board diversity
Costco Wholesale Corporation	ESG reporting
Cummins Inc.	Deforestation
Danaher Corporation	Workforce composition disclosure
Deere & Company	Board diversity
Donaldson Company, Inc.	Climate risk, ESG reporting
Electronic Arts Inc.	Climate risk
Emerson Electric Co.	Workforce composition disclosure
EssilorLuxottica SA	Climate risk
Eversource Energy	Board diversity, climate risk
Flowers Foods, Inc.	Workforce composition disclosure
Forward Air Corporation	ESG reporting, inclusive EEO policies
Franklin Electric Co., Inc.	ESG reporting
German American Bancorp, Inc.	Board diversity
Haemonetics Corporation	ESG reporting, workforce composition disclosure
Helmerich & Payne, Inc.	Board diversity
Hershey Company	Climate risk
Hubbell Incorporated	Board diversity
IDEX Corporation	Board diversity
Intel Corporation	Workforce composition disclosure
Jack Henry & Associates, Inc.	Climate risk
JPMorgan Chase & Co.	Climate risk
Lakeland Financial Corporation	ESG reporting
Lancaster Colony Corporation	Board diversity
Landstar System, Inc.	ESG reporting

Company Name	Area(s) of Progress
Lincoln Electric Holdings, Inc.	Climate risk, ESG reporting
Linde Plc	Climate risk
M&T Bank Corporation	Board diversity
Medpace Holdings, Inc.	Board diversity
Medtronic Plc	Climate risk
Microsoft Corporation	ESG reporting, workforce composition disclosure
Minerals Technologies Inc.	Workforce composition disclosure
Nestlé SA	Climate risk, workforce composition disclosure
NIKE, Inc.	Workforce composition disclosure
Nordson Corporation	ESG reporting, workforce composition disclosure
Packaging Corporation of America	Board diversity
Paychex, Inc.	Board diversity, workforce composition disclosure
PayPal Holdings, Inc.	Workforce composition disclosure
PepsiCo, Inc.	Climate risk
PerkinElmer, Inc.	Board diversity
Power Integrations, Inc.	Board diversity
Premier, Inc.	Climate risk, workforce composition disclosure
Progress Software Corporation	ESG reporting
Qualys, Inc.	ESG reporting
Quest Diagnostics Incorporated	Board diversity
Robert Half Inc.	Board diversity, climate risk, workforce composition disclosure
Schneider Electric SE	Workforce composition disclosure
Service Corporation International	ESG reporting
Shutterstock, Inc.	ESG reporting
Silgan Holdings Inc.	Climate risk
Starbucks Corporation	Labor rights
Sysco Corporation	Board diversity
TE Connectivity Ltd.	Climate risk
Teradata Corporation	Board diversity, climate risk, workforce composition disclosure
Texas Roadhouse, Inc.	Climate risk
The Home Depot, Inc.	Deforestation
Tompkins Financial Corporation	Board diversity, workforce composition disclosure
TopBuild Corp.	Board diversity, ESG reporting
U.S. Physical Therapy, Inc.	Board diversity
UMB Financial Corporation	Inclusive EEO policies
Union Pacific Corporation	Lobbying transparency
United Parcel Service, Inc.	Lobbying transparency
UnitedHealth Group Incorporated	Board diversity, ESG reporting
Unitil Corporation	Board diversity
Visa, Inc.	Workforce composition disclosure
Waters Corporation	Climate risk
Zebra Technologies Corporation	Board diversity

Note: Companies that are unique to the Boston Trust Walden International Equity Fund are currently excluded from the universe, pending an evaluation of the opportunities for engagement and strategy assets. **Past performance does not guarantee future results.**

2023 COLLABORATIVE PARTNERSHIPS

[Access to Medicine](#)

[Access to Nutrition Initiative](#)

[As You Sow](#)

[Business Benchmark on Farm Animal Welfare \(BBFAW\)](#)

[CDP](#)

[Ceres](#)

[Child Labor Coalition](#)

[Climate Action 100+](#)

[Climate Safe Lending Network](#)

[Confluence Philanthropy](#)

[Council of Institutional Investors \(CII\)](#)

[FAIRR](#)

[Food Emissions 50](#)

[Glasgow Financial Alliance for Net Zero \(GFANZ\)](#)

[Human Rights Campaign \(HRC\)](#)

[Indigenous Peoples Working Group \(IPWG\)](#)

[Intentional Endowments Network \(IEN\)](#)

[International Financial Reporting Standards \(IFRS\) Foundation](#)

[Investor Stewardship Group](#)

[ISSB Investor Advisory Group \(IIAG\)](#)

[Interfaith Center for Corporate Responsibility \(ICCR\)](#)

[Investor Alliance for Human Rights \(IAHR\)](#)

[Investor Environment Health Network \(IEHN\)](#)

[Mission Investors Exchange](#)

[Net Zero Asset Managers \(NZAM\) initiative](#)

[Northeast Investors' Diversity Initiative \(NIDI\)](#)

[Principles for Responsible Investment \(PRI\)](#)

[Si2](#)

[Thirty Percent Coalition](#)

[US SIF: The Forum for Sustainable and Responsible Investment](#)

[Workforce Disclosure Initiative](#)

ENDNOTES

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Boston Trust Walden Company
1 Beacon Street, 34th Floor
Boston, MA 02108

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