



Walden Asset Management

Advancing sustainable business practices since 1975

Washington State Investment Board Walden Socially Responsible Balanced Fund

Monthly Fact Sheet
September 30, 2017

Washington State Plan Information

Deferred Compensation Plan

NAV: 18.774
Total Shares: 8,383,390.841
Value: \$157,389,779.65

Judicial Retirement Account

NAV: 18.774
Total Shares: 15,476.625
Value: \$290,558.16

Investment Objective

The Walden SRI (Socially Responsible Investment) Balanced Fund ("the Fund") is an actively managed and well-diversified portfolio of stocks, bonds and money market instruments, featuring the integration of environmental, social and governance (ESG) analysis into the investment process. Investors should expect long-term capital growth and income and positive social impact through shareowner engagement.

Integrating ESG Research and Engagement

Walden Asset Management believes that the sustainability of a business is connected to its treatment of customers, workers, communities and the natural environment. Hence, in selecting securities for investment, Walden favors companies it deems to have strong ESG records.

Specifically, Walden focuses its evaluation on five broad areas of corporate responsibility: types of products and services, impact on the environment, workplace policies and practices, community engagement, and corporate governance. The Walden SRI Fund generally avoids investment in companies with more than 5% of revenues from the businesses of tobacco, alcohol, gambling, handguns, weapon systems, prison operations, factory farming, coal mining, or nuclear power. The Fund seeks to invest in companies demonstrating best practices relative to peers, robust management systems, accountability through standardized public reporting and responsiveness to shareholders, and sustained improvement over time. Specifically related to investing in energy companies, the Fund will invest in selected firms judged to have better ESG records relative to the sector.

Upon investment in a company, Walden seeks to strengthen corporate accountability and encourage more sustainable business policies and practices through company dialogue and shareholder resolutions, proxy voting, and public policy initiatives. (See reverse side for detail.)

Investment Strategy

The Fund invests in stocks, bonds and money market instruments, with at least 30% of the Fund's assets invested in fixed income securities and at most 70% of the Fund's assets invested in foreign and domestic equity securities. The Fund's asset allocation will vary based on Walden's assessment of global economic conditions, current valuations within capital markets, balancing risk and reward, and the relative attractiveness of stocks versus bonds. Equity investments will focus on an opportunity set of domestic and international companies Walden judges to be of higher quality than peers. Fixed income investments are restricted to investment grade securities.

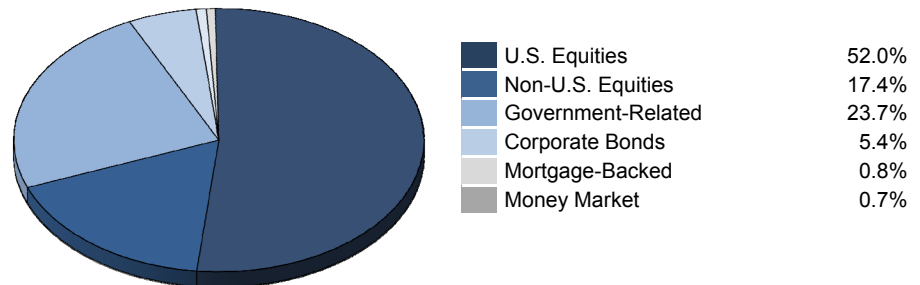
Total Returns as of September 30, 2017

	1 Month	3 Months	Year to Date	1 Year	Annualized				Since Inception (6/30/03)
					1 Year	3 Year	5 Year	10 Year	
Walden SRI Balanced Fund	1.30%	2.33%	10.31%	11.06%	7.80%	8.86%	6.85%	7.36%	
Benchmark*	1.12%	3.19%	10.48%	10.87%	6.69%	8.36%	6.14%	6.94%	

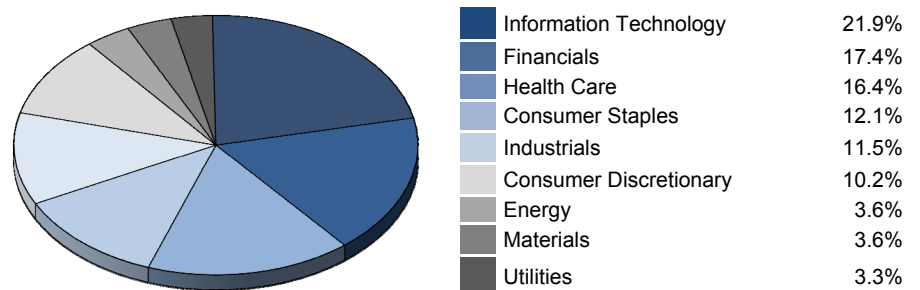
*The current benchmark consists of 45% MSCI USA Standard (Gross) Index / 15% MSCI World (ex US) (Net) Index / 40% Barclays Capital Aggregate Bond Index. From June 30, 2003 through June 30, 2013 the benchmark was 55% S&P 500 / 45% Barclays Capital Aggregate Bond Index.

The fund returns are reflected net of an annual Investment Management Fee and Walden administrative costs, including, but not limited to accounting, custody and audit fees (currently 0.34% per annum.) The fund returns do not reflect the current record keeping fee of 0.0625%, the WSIB fee of 0.0203%, or the DRS fee of 0.0455%. All fees are subject to change. Additional fee data is available online.

Asset Allocation



Equity Sector Allocation



Top 10 Equity Holdings*

Position Name	Weight
Apple	2.6%
Alphabet	2.4%
Microsoft	2.1%
JP Morgan Chase	1.9%
Comcast	1.6%
US Bancorp	1.5%
Accenture	1.4%
Johnson & Johnson	1.4%
3M	1.3%
Royal Bank of Canada	1.2%

Top 10 Fixed Income Holdings*

Position Name	Coupon	Date Due	Weight
FHLM	2.375%	01/13/22	5.7%
FNMA	2.625%	09/06/24	3.2%
US T Bond	5.250%	02/15/29	1.5%
US TIPS	1.250%	07/15/20	1.4%
US T Bond	2.125%	05/15/25	1.3%
FHLB	2.375%	03/13/26	1.2%
FHLB	2.875%	06/14/24	1.1%
FHLB	2.000%	09/09/22	1.1%
FNMA	2.000%	01/05/22	0.9%
FFCB	2.850%	03/02/28	0.9%

*Number of equity holdings: 72

*Number of fixed income holdings: 51

Total number of holdings: 123



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About Walden Asset Management

Walden has been a leader in integrating environmental, social and governance (ESG) research and engagement into the investment process since 1975. Walden is a division of Boston Trust & Investment Management Company and provides investment management and fiduciary services to clients who seek wise stewardship of their assets as well as positive social and environmental impact. Our team provides an exceptional blend of experience and expertise in managing client portfolios, with our investment professionals averaging 13 years with the firm and over 22 years in the industry.

Working with and on behalf of our clients, Walden encourages portfolio companies to improve their ESG performance, transparency and accountability utilizing customized portfolio screening, proxy voting, dialogues with company management, shareholder resolutions, and public policy advocacy.

For more information, please visit
www.waldenassetmgmt.com.

Portfolio Manager

William H. Apfel, CFA

Mr. Apfel is a Portfolio Manager and Executive Managing Director of Boston Trust & Investment Management Company (Boston Trust). He joined Boston Trust in 1989 and serves as the company's Chief Investment Officer. He earned a B.A. from Binghamton University, an M.A. from Georgetown University, and a Ph.D. from Brown University. He holds the Chartered Financial Analyst® designation and is a member of the CFA Society Boston and the CFA Institute.

Investment Risks

Stocks (equity securities) are generally more volatile and entail more risk than bonds or money market instruments (collectively called fixed income securities). The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes. Common stocks, and funds investing in common stocks, are expected to provide greater returns over long time periods than fixed income securities. Foreign investing involves risks not typically associated with U.S. investments, including adverse political, social and economic developments and differing auditing and legal standards. Compared to stocks, bonds generally offer a relatively stable level of income. However, like stocks, bond values will fluctuate, thereby incurring the likelihood of principal gain or loss. The Fund is comprised primarily of equity and fixed income securities and is subject to market risk. Stocks may decline due to general market and economic conditions or due to company specific circumstances. Our judgments regarding investment opportunities and risks may fail to produce attractive results either in absolute terms or relative to stated benchmarks.

Investing in Energy Companies

Investing in energy companies, particularly those whose businesses are leveraged to fossil fuels, presents special challenges for investors with environmental concerns. Walden seeks to balance our commitment to prudent diversification with our commitment to avoid investing in companies we judge to be engaged in activities harmful to the natural environment. As a consequence, the Fund seeks to invest in a diversified set of energy companies that, in our view, possess better than average ESG profiles, while seeking to avoid investments in companies we judge to be less progressive with respect to the environmental challenges facing the industry. Walden also views such investments as opportunities to impact environmental outcomes. Walden ESG professionals actively engage with the management of energy companies in which the Fund invests, using the power of dialogue, shareholder resolution and proxy voting, as well as public policy and education to promote progress on environmental matters.

Glossary of Terms

The MSCI USA Index is designed to measure the performance of the large and mid cap segments of the US market. With 602 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US.

The MSCI World ex USA Index captures large and mid cap representation across 23 of 24 Developed Markets DM countries - excluding the United States. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The Barclays Capital Aggregate Bond Index measures the performance of the broad U.S. bond market and is composed of fixed-income securities rated investment grade (BBB- or higher or its equivalent), including U.S. government, corporate, and sovereign debt, and mortgage-backed and asset-backed securities.

This Fund is a collective investment fund established pursuant to the Office of the Comptroller of the Currency Regulation and is available only to qualified retirement plans. An audited financial statement of the Fund is available to unit holders upon request.

ESG Guidelines for the Walden SRI Balanced Fund

	Favor companies that...	Avoid companies that...
Products & Services	<ul style="list-style-type: none"> offer safe, high quality products and services that provide societal or environmental benefits 	<ul style="list-style-type: none"> derive significant revenue from the manufacture of weapons, tobacco and alcohol, or gaming have significant involvement in the nuclear power fuel cycle
Environment	<ul style="list-style-type: none"> conserve energy and natural resources or reduce volume and toxicity of emissions and waste proactively address environmental challenges such as climate change and water scarcity 	<ul style="list-style-type: none"> have a pattern of serious regulatory violations have a history of negligent responses to significant environmental problems
Workplace	<ul style="list-style-type: none"> have strong equal employment opportunity policies have diverse representation in management and on boards of directors have competitive benefits and compensation and enjoy good employee (or union) relations enforce high labor standards throughout their supply chains 	<ul style="list-style-type: none"> have a pattern of violating fair labor standards or health and safety regulations
Community	<ul style="list-style-type: none"> have formal structures for constructive engagement with local, indigenous and underserved communities demonstrate a commitment to uphold international human rights standards 	<ul style="list-style-type: none"> are complicit in serious violations of human rights are unresponsive to local community concerns
Corporate Governance	<ul style="list-style-type: none"> have board structures that foster independent decision-making and accountability of board members demonstrate responsiveness to stakeholder concerns are committed to comprehensive ESG reporting 	<ul style="list-style-type: none"> have inadequate independence, diversity or expertise on company boards have executive compensation policies that do not clearly align pay with financial and ESG performance have policies or engage in practices that impede management's accountability to shareholders