

Modern Slavery Statement 2021

Calvert Research and Management

This statement is made pursuant to the Australian *Modern Slavery Act 2018 (Cth)* for the calendar year ending 31 December 2021.

Introduction

Calvert Research and Management (“Calvert”) is pleased to publish our first individual annual Modern Slavery Statement, which is being published as required by Section 14 of the Australian Modern Slavery Act 2018 (Cth) (“AUS MSA”) for our fiscal year ended December 31, 2021.

Calvert does not support, condone or find modern slavery acceptable in any way, shape or form. As an investor, we believe all companies need to take the same stance – that modern slavery is abhorrent, unjust and needs to be excluded from all operations and supply chains. As part of our fiduciary duty to clients and being a responsible investor, we believe focusing on modern slavery makes sound business sense and that it is important to disclose our present activities to combat modern slavery across our business and supply chains.

1. Our structure and operations

- 1.1 Calvert has its corporate headquarters at 1825 Connecticut Avenue, Suite 400, Washington, D.C. 20009. Calvert is an SEC registered investment advisor and recognized leader in responsible, or environmental social and governance (“ESG”) investing. We manage assets on behalf of funds, individual and institutional separate account clients, and their advisors. Calvert sponsors one of the largest and most diversified families of responsibly invested mutual funds, encompassing active and passively managed equity, income, alternative and multi-asset strategies, across 31 funds. Our investment portfolios are managed by internal managers. Our funds are sold through financial managers and broker/dealers to their clients. We had \$39 billion in assets under management as of December 31, 2021. The firm seeks to generate favorable investment returns for clients by allocating capital consistent with ESG best practices and through structured engagement with portfolio companies.

During the reporting period, Calvert and certain of its affiliates (together “Eaton Vance” or the “Company”) operated in Australia and is therefore subject to the reporting obligations. Calvert does not have any offices in Australia.

- 1.2 The Company has an annual consolidated revenue of \$1.5 billion, covering a 14 month calendar year due to the fact that it now has an extended year end to December 31, 2021.
- 1.3 Calvert has approximately 44 employees as of year-end 2021, all of whom are located in the United States. Information in this statement has been prepared based on the Company’s processes during 2021. It does not reflect the Company’s current arrangements, which have integrated since it was acquired by Morgan Stanley on 1 March 2021.

2. Consultation

2.1 We have acted in consultation with relevant our affiliates in preparing this statement by:

- (a) consulting procurement professionals who provide shared services across Eaton Vance to assess the risk of modern slavery in supply chains; and
- (b) identifying relevant factors considered by investment professionals at relevant investment management affiliates.

3. Our supply chains

3.1 Our supply chains are primarily US-based and incorporate a wide range of products and services spanning a variety of industry sectors, broadly grouped as follows:

Hardware	Facilities
Software	Market and Research Data
3 rd Party support services	Office Supplies
Marketing	Telecommunications
Professional Services and Consulting	Cloud-based and hosted services
Recruiting, HR agencies	Benefits & Insurance

3.2 Given our size, our scale of supplier spending, our relatively small procurement and 3rd party risk teams and our limited geographic reach and footprint, ensuring we avoid any involvement in modern slavery is a considerable challenge.

4. Risk assessment

4.1 Risks in Supply Chain and Products: most of our products and services are sourced in the US. Many of these products and services are not of a manufactured nature and involve asset management industry specific resources or intellectual capital. Thus, we anticipate that our products and supply chains are limited in their exposure to the risks of modern slavery.

4.2 Risks in Operations: the majority of our operations are US-based. We have taken appropriate processes to monitor payroll and employment conditions. The risks of modern slavery practices within the operations of Eaton Vance are very low.

5. Our policies on slavery and other actions taken

- 5.1 We are committed to ensuring that there is no modern slavery in our supply chains or in any part of our business.
- 5.2 Calvert has policies in place that support the elimination of modern slavery across our investments and we support multiple other organizations and relevant human rights standards that also have incorporated policies on various aspects of modern slavery within their approach.

While there is no common definition for modern slavery, Calvert believes it is important to clarify that modern slavery refers to egregious forms of exploitation and not to major failures of human or labor rights. These may include instances of forced labor, debt bondage, slavery or similar practices and human trafficking.

As a leading responsible investor, Calvert identifies the ESG factors most likely to affect a company's corporate performance. Our nuanced approach to materiality-based analytics takes into account the fact that different ESG factors have varying impacts by industry. Modern slavery and human rights risks have been well-integrated into our ESG processes for several years and are taken into account as relevant for investment decisions. Calvert seeks to invest in companies and other issuers that balance the needs of both financial and nonfinancial stakeholders and demonstrate a commitment to the global commons as well as to the rights of individuals and communities. As a pioneer in responsible investing, we recognized decades ago that strong ESG practices can have positive implications for corporate performance.

We actively work on engagement with companies to improve in the areas most relevant to them, while also collaborating with a wide range of organizations to improve corporate standards and reporting. We handle proxy voting as a separate component of our engagement process.

6. Due diligence processes for slavery

- 6.1 We have in place systems to:
 - (a) Identify and assess potential risk areas in our supply chains;
 - (b) Mitigate the risk of slavery occurring in our supply chains through our 3rd party supplier risk evaluation process;

- 6.2 These systems integrate the 3rd party supplier risk evaluation process with the sourcing and procurement processes. This new integration went live as of September 2020 and our 3rd party vendor risk evaluation process was still being developed and scaled prior to our acquisition by Morgan Stanley as announced in October 2020 and closed in March of 2021. As of March 2021, we follow Morgan Stanley's policies on 3rd party supplier risk and Modern Anti-Slavery.
- 6.3 As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we:
- (a) We require all new supplier engagements in Australia to be contractually bound to adhere to Australian Modern Anti-Slavery laws and regulations; refusals to comply with these contractual obligations are handled on an exception basis.

7. Supplier adherence to our values and ethics

- 7.1 We have zero tolerance of slavery. To ensure all those in our supply chain and contractors comply with our values ethics, our procurement policy explicitly states that our suppliers' values align with those of the firm.
- (a) All suppliers that are under consideration must be submitted to Vendor Risk for review prior to utilizing the Vendor. The Business Unit will complete an initial screening questionnaire which will identify the inherent risk in the relationship with the supplier. Supplier relationships will be reviewed for inherent risk domains such as compliance, cyber security, business resiliency, fourth party, geopolitical and solvency. Suppliers will be classified with a low, medium, high or critical risk rating. The Vendor Risk team will determine which risk assessments are required based on the classification. Monitoring activities will be driven by the risk classification associated with the suppliers. Suppliers with high-risk profiles will be more actively monitored than suppliers with low-risk profiles.

8. Our effectiveness in combating slavery

- 8.1 We assess the risk of modern slavery through a process of periodic review by our procurement team and providing for regular engagement and feedback between procurement, legal and other relevant internal departments.
- 8.2 We manage these risks to our organisation by maintaining consistent and high standards of due diligence and risk mitigation processes to monitor for and avoid modern slavery in all environments in which we operate in, regardless of whether the environment or the suppliers with whom we work are more or less vulnerable to modern slavery.

9. Further steps and remediation

- 9.1 Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery in our supply chains we have set the following goals/key performance indicators to take the following further remedial steps to combat slavery in our operations and supply chain:
- (a) Following the acquisition of the Company by Morgan Stanley, the Company continues to integrate in order to rely on shared services of Morgan Stanley for procurement.
 - (b) Review Calvert's Proxy Voting Guidelines to determine whether to add in references more specifically to modern slavery.
 - (c) Continue to vote in such a way as to voice our concern for companies involved in any way in modern slavery.



Calvert Research and Management 1825
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This modern slavery statement is made by Calvert for the financial year ending 31 December 2021.

This statement was approved on 29 June 2022 and signed by John Streur in his role as President and CEO of Calvert Research and Management as defined by Act 2 of the *Australian Modern Slavery Act*.

John Streur
President and CEO
29 June 2022

This statement was approved on 29 June 2022 by EV LLC, the Sole Trustee of Calvert Research and Management as defined by Act 2 of the *Australian Modern Slavery Act*.

A handwritten signature in black ink that reads "Daniel C. Cataldo".

[Dan Cataldo \(Jun 29, 2022 14:32 EDT\)](#)

Daniel Cataldo
Director of EV LLC
29 June 2022



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Modern Slavery Statement Calvert FINAL






6.29.2022

Final Audit Report

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