



Modern Slavery Statement

April 30, 2021

The statement is made pursuant to the Australian *Modern Slavery Act 2018 (Cth)* and the UK *Modern Slavery Act 2015*.

Overview

Parametric Portfolio Associates LLC (“Parametric”) is pleased to publish our first annual Modern Slavery Statement which is being published voluntarily in accordance with Section 54 of the UK Modern Slavery Act 2015 (“UK MSA”) and as required by section 14 of the Australian Modern Slavery Act 2018 (Cth) (“AUS MSA”) for our fiscal year ended October 31, 2020.

Parametric is a SEC registered investment adviser and a leading investment solutions partner with a 30-year history of helping investors meet their unique portfolio objectives, investing in thousands of companies with headquarters and operations around the world. We use a systematic, rules-based approach to deliver transparent, predictable, repeatable outcomes for institutions, high-net-worth individuals, and fund investors in North America and around the globe. From exposure management to alternatives to equities, our solutions can be customised to meet our clients' unique needs. Parametric had approximately \$312.9 billion in assets under management as of October 31, 2020, and is headquartered in Seattle, with offices in Minneapolis; New York City; Boston; and Westport, Connecticut. Parametric provides distribution services in Australia through its affiliate, Eaton Vance Management (International) Limited (“EVM”).

Modern Slavery

Modern slavery risks focus on the risk of harm to people rather than the risk to an entity (such as reputational or financial damage). However, taking action on modern slavery makes good business sense as it can protect against possible business harm, improve the integrity and quality of supply chains, and potentially increase profitability. It can also improve investor and consumer confidence, improve relationships with workers and local communities and lead to greater access to business opportunities.

Modern slavery therefore poses risks to individuals and economic and reputational risks to companies globally. Additionally, it is a regulatory risk in Australia due to the passage of the AUS MSA and a reputational risk in the UK due to the passage of the UK MSA.

Modern Slavery, as defined by the AUS MSA, includes eight types of serious exploitation:

- Trafficking in persons
- Slavery
- Servitude
- Forced labour
- Forced marriage
- Debt bondage
- Child labour (worst forms)
- Deceptive recruiting for labour services

Modern Slavery, as defined by the UK MSA, includes seven types of exploitation:

- Human trafficking
- Slavery
- Servitude
- Forced or compulsory labour
- Child and vulnerable person labour
- Sexual exploitation
- Removal of organs

Requirement to Report

During the reporting period, Parametric had operations in Australia and is therefore subject to the reporting requirements under the AUS MSA. Parametric is pleased to produce this finalised Modern Slavery Statement to the Australian Border Force in the [Online Register of Modern Slavery Statements](#), within the required six months of the end of its first full fiscal year after January 1 2019. Parametric's fiscal year is November 1 - October 31, therefore the deadline for this report is April 30 2021.

This Modern Slavery Statement is also being voluntarily filed in the UK [Modern Slavery Registry](#).

Statement Scope

This Modern Slavery Statement addresses all seven AUS MSA mandatory criteria and all six UK MSA recommendations (considering the [Modern Slavery Statements: A Framework for Evaluation](#)) in a single Modern Slavery Statement, mapped as follows:

Modern Slavery Statement Mapping

| Section | | Australia | | UK | |
|---------|--|---------------------|---|-----------------|--|
| | | mandatory criterion | | recommendations | |
| A | Reporting entity, structure, operations and supply chains (SOSC) | 1 | Identify the reporting entity | 1 | Organisation structure and supply chains |
| | | 2 | Describe the reporting entity's structure, operations and supply chains | | |
| B | Risk assessment of Modern Slavery in SOSC | 3 | Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls | 4 | Risk assessment and management |
| C | Actions to address SOSC issues | 4 | Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes | 3 | Due diligence processes |
| D | Assessment of actions to address SOSC issues | 5 | Describe how the reporting entity assesses the effectiveness of these actions | 5 | Key performance indicators to measure effectiveness of steps being taken |
| E | Modern Slavery policies, training and other information | 6 | Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement) | NA | |
| | | 7 | Provide any other relevant information. | 2 | Policies in relation to slavery and human trafficking |
| | | | | 6 | Training on modern slavery and trafficking |

A. Reporting entity, structure, operations and supply chains (SOSC)

Australia mandatory criterion #1 and #2; UK recommendation #1

Entity and Structure: Parametric is organised as a limited liability company under the laws of the State of Delaware. Parametric has been providing investment advisory services since its formation in 1987. Prior to March 1, 2021, Parametric was an indirect wholly owned subsidiary of Eaton Vance Corp. On March 1, 2021, Morgan Stanley acquired Eaton Vance Corp. and its subsidiaries, including Parametric. Parametric is now a wholly-owned indirect subsidiary of Morgan Stanley, a publicly held company that is traded on the New York Stock Exchange (NYSE) under the ticker symbol MS. Parametric's direct owner is Eaton Vance Acquisitions LLC, a privately held subsidiary of Morgan Stanley.

Operations: Parametric is a leading global asset management firm providing various portfolio management services and investment strategies directly to institutional investors and indirectly to individual investors through financial intermediaries. Parametric's investment decision-making processes utilise proprietary technology and are guided by structured, mathematical, and rules-based methodologies. Parametric's portfolio management services and strategies assist clients in meeting their desired market exposure, risk management, tax management and return objectives in

a cost-effective manner. Parametric also offers a separately managed account program (the “Platform”) which is designed to provide financial intermediaries and their clients access to a broad array of investment strategies offered by Parametric and its advisory affiliates Atlanta Capital Management, Calvert Research and Management, and Eaton Vance Management.

Parametric provides investment management services through a variety of products and vehicles, These include but are not limited to: discretionary separate accounts for individual investors; U.S. registered investment funds such as mutual funds and ETFs sponsored by both affiliates and third parties; U.S. and non-U.S. collectively managed funds such as private funds, collective investment trusts, commingled trust funds, and UCITS which may be sponsored by Parametric, affiliates, or third parties. Parametric provides non-discretionary investment advice through model portfolio delivery programs. Under such arrangements, Parametric provides third parties with a model portfolio. Parametric provides portfolio management services to various wrap fee programs sponsored by broker- dealers, banks or other investment advisers. Parametric serves its clients through its offices located in Seattle, Minneapolis, Boston, New York City, and Westport, Connecticut. Parametric provides distribution services in Australia through its affiliate, EVMI. EVMI is a private limited company headquartered in London and has a branch in Australia registered as a ‘foreign company’ with ASIC.

Supply Chains: During the reporting period covered by this statement, Eaton Vance Management, an affiliate of Parametric, provided procurement services to Parametric as a part of a number of shared services provided by Eaton Vance Management to Parametric. 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 |
| 3rd Party Support Services | Office Supplies |
| Marketing | Telecommunications |
| Professional Services and Consulting | Benefits & Insurance |
| Recruiting, HR Agencies | Cloud-based and Hosted Services |

B. Risk assessment of Modern Slavery in structure, operations and supply chains

Australia mandatory criterion #3; UK recommendation #4

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.

Eaton Vance Management procurement has determined that the risk of modern slavery in its supply chains is low due to the nature of our business though, 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.

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 Management are very low.

Additionally, Parametric supported four large Australian clients in their assessments by providing responses to a uniform set of due diligence questions regarding the Modern Slavery risks in the portfolios we manage for them. This analysis enabled us to identify how we might more broadly assess Modern Slavery risks across all Parametric holdings. We have identified two Key Performance Indicators (KPI) for fiscal 2021 in order to broaden our Modern Slavery assessment.

KPI #1: Global Slavery Index country and high-risk industry exposure: We will identify holdings of MSCI ACWI IMI companies that are domiciled in any of the 50 countries in the [Global Slavery Index](#) and have business segments in GICS sub-industries and industries most likely to be exposed to Modern Slavery risks.

Company facility location and their supply chain vendor data would be additionally valuable information for identifying Modern Slavery risk. Locations of company facilities are available for only a limited number of companies, while company supply chain vendor data is even less available, therefore, such additional information is not currently available. We will continue to request that our data vendors provide such data, and consider other vendors that may provide this information.

KPI #2: ESG Controversies risk exposure: Parametric subscribes to comprehensive ESG controversies research which could help identify companies with Modern Slavery risk. We will evaluate holdings of MSCI ACWI IMI companies using ESG Controversies research that reflects Modern Slavery related exploitation, as available. This will help us to identify holdings in companies facing Modern Slavery risk and could inform our engagement activities.

C. Actions to address structure, operations and supply chain issues

Australia mandatory criterion #4; UK recommendation #3

We are committed to ensuring that there is no modern slavery in our supply chains or in any part of our business. We have in place systems to: 1) Identify and assess potential risk areas in our supply chains; and 2) mitigate the risk of slavery occurring in our supply chains through our 3rd party supplier risk evaluation process. 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.

As of September 2020, we require all new supplier engagements and relations 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. 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.

All suppliers under consideration must be submitted to a Vendor Risk team for review prior to utilising the vendor. Relevant business units complete an initial screening questionnaire which identify the inherent risk in the relationship with the supplier. Supplier relationships are reviewed for inherent risk domains such as compliance, cyber security, business resiliency, fourth party, geopolitical and solvency. Suppliers are classified with a low, medium, high or critical risk rating. The Vendor Risk team determines which risk assessments are required based on the classification. Monitoring activities are driven by the risk classification associated with the suppliers. Suppliers with high-risk profiles are more actively monitored than suppliers with low-risk profiles.

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 Anti-Modern Slavery.

In addition to taking these actions in our supply chain, Parametric supported four large Australian clients in their assessments by providing responses to a uniform set of due diligence questions regarding the Modern Slavery risks in the portfolios we manage for them. We did not gather data more broadly in order to directly address Modern Slavery across firm-wide holdings, but we did evaluate how we address Modern Slavery risks in our investment stewardship activities.

Proxy Voting: Parametric's proxy voting guidelines are consistent with opposition to Modern Slavery. In 2020, for the approximately \$109B in assets for which we had voting authority, we voted for all 23 human rights-related proposals; all 14 human rights reporting proposals (proposals asking for a report on human rights risks/assessments and/or steps taken to reduce or manage these risks); all 8 human rights responsibility proposals (make human rights a more explicit issue for the board to manage, or making human rights a higher priority risk to manage); and the one prison labour proposal (report on prison labour in the supply chain).

Shareholder Engagement: Parametric began to engage with companies for the first time in 2020 with a letter writing campaign to the 144 Russell 3000 companies without a female board member. This is our first step in a multi-year process to increase our engagement with portfolio companies on ESG issues. Modern slavery is under consideration by our Stewardship Committee as a potential future engagement topic, along with several other topics. To that end, we maintain awareness of the Interfaith Center on Corporate Responsibility (ICCR) and Know the Chain's Apparel and Footwear engagement program which uses collaborative engagement to encourage lagging companies in these industries to address forced labour in their supply chains. We determine engagement priorities based on where we believe we can have the most impact in areas that are aligned with our investment philosophy and approach.

D. Assessment of actions to address structure, operations and supply chain issues **Australia mandatory criterion #5; UK recommendation #5**

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. We manage Modern Slavery 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, regardless of whether the environment or the suppliers with whom we work are more or less vulnerable to modern slavery. Following the acquisition of Eaton Vance Corp. by Morgan Stanley, we will rely on shared services of Morgan Stanley for procurement.

Our first structured effort to evaluate Modern Slavery risks, in a small number of institutional accounts, was in 2020, thus there were no prior year actions for us to assess. We will assess our 2021 actions in our 2021 Modern Slavery Statement.

E. Modern Slavery policies, training and other information


Australia mandatory criterion #6 and #7; UK recommendation #2 and #6

Eaton Vance Management had no specific language concerning Anti-Modern Slavery in its procurement and supplier risk policies since the firm was still establishing its approach to existing supplier compliance and remediation in 2020. However, Eaton Vance procurement policy stated that we expect our suppliers to conform to its ESG values as part of their own culture and management.

Parametric does not need to respond to AUS MSA criterion #6 as the firm does not own or control any other entities that provide services to clients in Australia.

This statement was approved by Eaton Vance Acquisitions LLC, the managing member and the principal governing body of Parametric Portfolio Associates LLC on 30 April, 2021.

EATON VANCE ACQUISITIONS LLC



Signature

Aaron Guth

Name

Secretary

Title

9/30/21

Date