



## PARAMETRIC PORTFOLIO ASSOCIATES LLC

### PROXY VOTING POLICIES AND PROCEDURES

<b>Last Updated</b>	November 29, 2021
<b>Last Reviewed</b>	November 29, 2021
<b>Applicable Regulatory Requirement</b>	Rule 206(4)-6 under the Investment Advisers Act
<b>Related Policies</b>	Conflicts of Interest
<b>Business Group Owners</b>	Proxy Voting Committee

#### **Policy**

Parametric Portfolio Associates LLC ("Parametric") has adopted and implemented these policies and procedures which it believes are reasonably designed to ensure that proxies are voted in the best interests of clients, in accordance with its fiduciary obligations and applicable regulatory requirements. When it has been delegated the responsibility to vote proxies on behalf of a client, Parametric will generally vote them in accordance with its Proxy Voting Guidelines, attached hereto as **Exhibit A**. The Proxy Voting Guidelines are set and annually reviewed by the firm's Proxy Voting Committee (the "Committee"). Parametric will consider potential conflicts of interest when voting proxies and disclose material conflicts to clients. Parametric will promptly provide these policies and procedures, as well as proxy voting records, to its clients upon request. As required, Parametric will retain appropriate proxy voting books and records. In the event that Parametric engages a third party proxy adviser to administer and vote proxies, it will evaluate its conflicts of interest procedures and confirm its abilities to vote proxies in the client's best interest.

#### **Regulatory Requirements**

Rule 206(4)-6 under the Investment Advisers Act requires that an investment adviser that exercises voting authority over client proxies to adopt and implement policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interest of the client. The rule specifically requires that the policies and procedures describe how the adviser addresses material conflicts of interest with respect to proxy voting. The rule also requires an adviser to disclose to its clients information about those policies and procedures, and how the client may obtain information on how the adviser has voted the client's proxies. In addition, Rule 204-2 under the Act requires an adviser to retain certain records related to proxy voting.

#### **Responsibility**

The Associate Investment Strategist (the "Coordinator") is responsible for the day-to-day administration of the firm's proxy voting practices. One or more Investment Strategy personnel are responsible for ensuring proxy ballots are received and voted in accordance with the firm's Proxy Voting Guidelines (the "Guidelines"). The Director of Responsible Investing (the "Director") is responsible for providing guidance

with regard to the Proxy Voting Guidelines. The Committee is responsible for monitoring Parametric's proxy voting practices and evaluating proxy advisers engaged to vote proxies on behalf of clients. The Committee is responsible for setting and annually reviewing the firm's Proxy Voting Policies and Procedures and Proxy Voting Guidelines. The Compliance Department is responsible for annually reviewing these policies and procedures to verify that they are adequate, appropriate and effective.

## **Procedures**

Parametric has adopted and implemented procedures to ensure the firm's proxy voting policies are observed, executed properly and amended or updated, as appropriate. The procedures are summarized as follows:

### **New Accounts**

- Parametric is generally delegated the responsibility to vote proxies on behalf of clients. (This responsibility is typically established in the investment advisory agreement between the client and Parametric. If not set forth in the advisory agreement, Parametric will assume the responsibility to vote proxies on the client's behalf unless it has received written instruction from the client not to.
- When a new client account is established, Parametric will instruct the client's custodian to forward all proxy materials to Institutional Shareholder Services (ISS).
- On a weekly basis, the Coordinator performs a reconciliation of all new accounts to ensure that ISS is receiving the proxy ballots for all client accounts over which Parametric has voting authority. The Coordinator will work with a designated person in CRG with any discrepancies to Parametric's proxy voting responsibilities are carried out.

### **Proxy Voting Administration**

- Parametric's proxy voting is oversights on a daily basis by the Coordinator, who is a member of Parametric's Investment Strategy. The Coordinator is responsible for ensuring proxies are voted in accordance with Parametric's Proxy Voting Guidelines.
- The Director will review research and guidance issued by third party proxy voting analysts regarding proxy voting issues relevant to Parametric's clients and monitor upcoming shareholder meetings and votes. The Director will provide guidance to the Coordinator with regard to the Proxy Voting Guidelines and how they apply to proxy ballots. The Director will ensure that rationale for votes cast is properly documented and reviewed by other Committee members, as warranted.
- Parametric utilizes the ISS ProxyExchange platform to manage, track, reconcile and report proxy voting. Parametric relies on this application to ensure that all proxies are received and voted in timely manner.
- In the unlikely event that a ballot proposal is not addressed by the Guidelines, the Coordinator will consult with the Director to confirm that the Proxy Voting Guidelines do not address the proxy issue. If confirmed, the Director may escalate the issue to the Committee for their consideration. The Committee can review research and guidance issued by third party proxy adviser when making a vote determination. A vote determination must be approved in writing by not less than two Committee members. The rationale for making the determination will be documented.

- The Coordinator may abstain from voting a proxy on behalf of a client account if the economic effect on shareholders' interests or the value of the holding is indeterminable or insignificant (e.g., the security is no longer held in the client portfolio) or if the cost of voting the proxy outweighs the potential benefit (e.g., international proxies which share blocking practices may impose trading restrictions).
- In the rare occasions that accounts that do not hold public equities receive ballots, the Operations Team is responsible for monitoring those ballots. The Operations Team may work with the Coordinator or the Portfolio Management team to vote the ballots in the best interest of their holders.
- The Coordinator also conducts periodic reviews for all active accounts of proxies that are not voted or that are voted inconsistent with firm policy to ensure that appropriate action was taken and documented. As needed the Coordinator will work with a designated person in CRG that handles proxy voting to reconcile any discrepancies in client accounts.

### **Proxy Voting Committee**

- Parametric has established a Committee which shall meet on a quarterly basis to oversee and monitor the firm's proxy voting practices.
- On an annual basis, the Committee will approve the firm's Proxy Voting Policies and Procedures and Proxy Voting Guidelines to ensure they are current, appropriate and designed to serve the best interests of clients and fund shareholders.

### **Proxy Adviser Due Diligence**

- In the event that Parametric deems it to be in a client's best interest to engage a third party proxy adviser, Parametric will exercise due diligence to ensure that it can provide objective research and recommendations. This evaluation will consider the proxy adviser's business and conflict of interest procedures, and confirm that the procedures address the firm's conflicts.
- On an annual basis, Parametric will monitor the performance of the proxy adviser and assess if changes have impacted their conflict of interest procedures. Initial and ongoing due diligence evaluations shall be documented in writing.

### **Conflicts of interest**

- The Compliance Department will identify and actively monitor potential conflicts of interest which may compromise the firm's ability to vote a proxy ballot in the best interest of clients. Eaton Vance/Morgan Stanley Compliance will maintain a List of Potentially Conflicted Companies and provide it to Investment Strategy whenever it is updated. The list shall identify potential conflicts resulting from business relationships with clients, potential clients, service providers, and the firm's affiliates.
- All proxies are voted by Parametric in accordance with the firm's Proxy Voting Guidelines. If a proxy ballot is received from an issuer on the List of Conflicted Companies and a proposal is not addressed by the Guidelines, the Coordinator will forward the issue to the Director to confirm that the Guidelines do not address the proposal. If confirmed, the Director will escalate the proposal to the Committee.

- If the Committee determines a material conflict exists and a proposal is not addressed by the Guidelines, it will make a good faith determination as how to vote the proxy (which may include voting abstain on the proposal not covered by the Proxy Voting Guidelines). The Committee will provide appropriate instructions to the Coordinator.

### **Proxy Voting Disclosure Responsibilities**

- As a sub-adviser to various mutual funds registered under the Investment Company Act of 1940, Parametric will, upon each fund's request, compile and transmit in a timely manner all data required to be filed on Form N-PX to the appropriate fund's administrator or third party service provider designated by the fund's administrator.
- Parametric will promptly report any material changes to these policies and procedures to its mutual fund clients to ensure that the revised policies and procedures may be properly reviewed by the funds' Boards of Trustees and included in the funds' annual registration statements.

### **Solicitations and Information Requests**

- Parametric's proxy voting policies and procedures are summarized and described to clients in Item 17 of the firm's Form ADV Brochure (Form ADV Part 2A). Parametric will promptly provide a copy of these proxy voting policies and procedures, which may be updated from time to time, to a client upon their request.
- Parametric's Form ADV Brochure discloses to clients how they may obtain information from Parametric about how it voted proxies on their behalf. Parametric will provide proxy voting information free of charge upon written request.
- Parametric will not reveal or disclose to any third-party how it may have voted or intends to vote a proxy until its vote has been counted at the respective shareholder's meeting. Parametric may in any event disclose its general voting guidelines. No employee of Parametric may accept any benefit in the solicitation of proxies.

### **Compliance Review**

On an annual basis, the Compliance Department will review the firm's proxy voting policies and procedures, as required per Rule 206(4)-7, to confirm that they are adequate, effective, and designed to ensure that proxies are voted in clients' best interests.

### **Recordkeeping**

Parametric will maintain, in an easily accessible place for a period of seven years, all requisite proxy voting books and records, including but not limited to: (1) proxy voting policies and procedures, (2) proxy statements received on behalf of client accounts, (3) proxies voted, (4) copies of any documents that were material to making a decision how to vote proxies, and (5) client requests for proxy voting records and Parametric's written response to any client request.