

# Parametric Custom Core® US Large Cap

Benchmark: S&P 500®

## The Strategy

Parametric's Custom Core® U.S. Large Cap portfolios with tax management are designed to provide a client with exposure to U.S. large cap equity securities while maximizing after-tax returns through a variety of tax management techniques. The strategy seeks to exceed its benchmark on an after-tax basis.

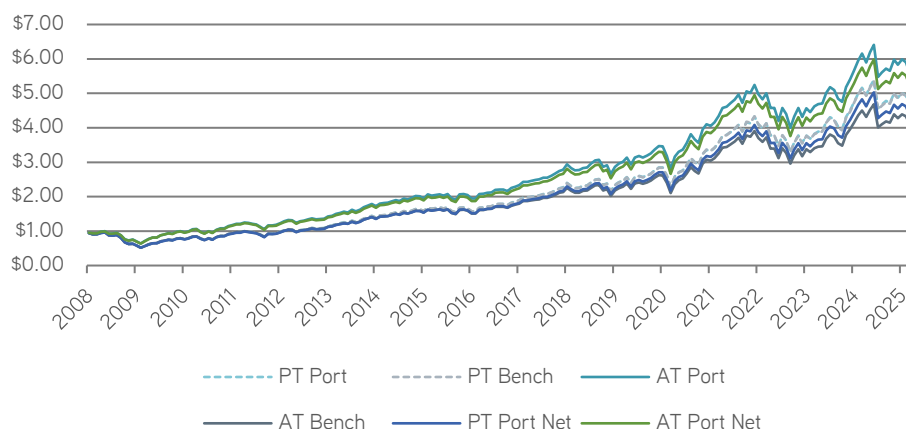
## The Approach

Portfolio holdings are selected from a broad universe of eligible securities reflecting the desired overall exposure. Weightings of securities in the portfolio will not match nor replicate those of the benchmark and the portfolio may include securities not held in the benchmark. Tax management techniques including tax loss harvesting and the management of capital gains are used to minimize the impact of taxes and maximize after-tax return.

## The Features

Custom Core® portfolios can be benchmarked to a variety of exposures and benchmark options differ by program. In addition, portfolios can be tailored to meet client objectives. Clients can choose to apply an industry or social screen. Portfolios can also be funded in kind and transitioned tax-efficiently.

Growth of a Dollar (as of 3/31/2025)



Performance is presented for the US Large Cap Wrap composite. This is supplemental to the GIPS® report contained herein. GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Composite pre-tax (PT) and after-tax (AT) returns are presented gross and net of fees. Performance results reflect the reinvestment of dividends and earnings. Client results may vary. Benchmark PT and AT returns do not reflect the deduction of advisory fees or transaction costs. It is not possible to invest directly in an index. Indexes are unmanaged. All investments are subject to risk of loss. Past performance is not indicative of future results.

Wrap Composite Returns (as of 3/31/2025)

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	ITD
<b>Pre-Tax %</b>								
Parametric (Gross of Fees) %	-4.33	-4.33	7.82	8.73	18.40	13.05	12.41	10.24
Parametric (Net of Fees) %*	-5.04	-5.04	4.68	5.57	14.95	9.76	9.14	7.03
S&P 500®	-4.27	-4.27	8.25	9.06	18.59	13.25	12.50	10.22
<b>After-Tax %</b>								
Parametric (Gross of Fees) %	-4.14	-4.14	8.32	10.30	19.68	14.38	13.59	11.74
Parametric (Net of Fees) %*	-4.84	-4.84	5.16	7.09	16.20	11.05	10.28	8.48
S&P 500®	-4.47	-4.47	7.41	8.34	17.68	12.36	11.59	9.54
Tax Alpha¹ (Gross)	0.39	0.39	1.34	2.29	2.19	2.22	2.09	2.18
Tax Alpha¹ (Net)	-0.31	-0.31	-1.81	-0.92	-1.29	-1.11	-1.22	-1.08

The Composite was inceptioned on January 1, 2008.

\*Gross of fee returns do not reflect the deduction of any trading costs, fees, or expenses. Net of Fee returns reflect the deduction of a 3.00% annual fee to serve as the highest wrap fee charged. Please see the Composite's GIPS report for important additional information.

¹Tax alpha measures the impact of tax management on client accounts compared with the tax consequences of simply replicating the benchmark without regard to taxes. Tax alpha's main components are the before- and after-tax performance of client accounts and the benchmark.

Source: Parametric, Bloomberg & FactSet as of 3/31/2025. The above information is supplemental to the Composite's Global Investment Performance Standards (GIPS®) report contained herein as an integral part of this material. For illustrative purposes only; not an offer to buy or sell any security. Composite data is based on the total assets of all fee-paying discretionary accounts eligible for inclusion in the Composite for the periods shown. Performance reflects the reinvestment of dividends and other earnings. Performance for periods of less than one year has not been annualized. Performance, cost basis, unrealized gain/losses, and realized gains/losses calculated and reported by Parametric may vary from official custodial statements based on different accounting procedures, reporting dates or valuation methodologies for certain securities. Past performance is not indicative of future results. It is not possible to invest directly in an index; they are unmanaged and do not reflect the deduction of fees, taxes and expenses.

## Parametric Custom Core® US Large Cap

Benchmark: S&P 500®

### Calendar Year Wrap Composite Returns

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Pre-Tax %</b>											
Parametric (Gross of Fees) %	13.47	1.59	12.07	22.05	-4.16	30.71	18.27	28.85	-17.90	25.39	24.68
Parametric (Net of Fees) %*	10.16	-1.37	8.81	18.49	-6.95	26.90	14.82	25.10	-20.29	21.74	21.05
S&P 500®	13.69	1.38	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29	25.02
<b>After-Tax %</b>											
Parametric (Gross of Fees) %	12.95	2.67	13.15	22.00	-3.02	31.09	20.82	28.60	-14.77	26.30	24.92
Parametric (Net of Fees) %*	9.66	-0.32	9.85	18.44	-5.84	27.27	17.30	24.85	-17.25	22.63	21.28
S&P 500®	12.32	0.53	11.14	20.59	-5.22	30.28	17.35	27.51	-18.53	25.43	24.06
Tax Alpha <sup>1</sup> (Gross)	0.85	1.93	1.90	1.19	1.98	1.58	3.60	0.94	3.55	1.77	1.20
Tax Alpha <sup>1</sup> (Net)	-2.44	-1.06	-1.40	-2.36	-0.84	-2.24	0.08	-2.80	1.07	-1.91	-2.44

\*Gross returns do not reflect the deduction of trading costs, fees, or expenses. Net of Fee returns reflect the deduction of a 3.00% annual fee to serve as the highest wrap fee charged. Please see the Composite's GIPS report for important additional information.

<sup>1</sup>Tax alpha measures the impact of tax management on client accounts compared with the tax consequences of simply replicating the benchmark without regard to taxes. Tax alpha's main components are the before- and after-tax performance of client accounts and the benchmark.

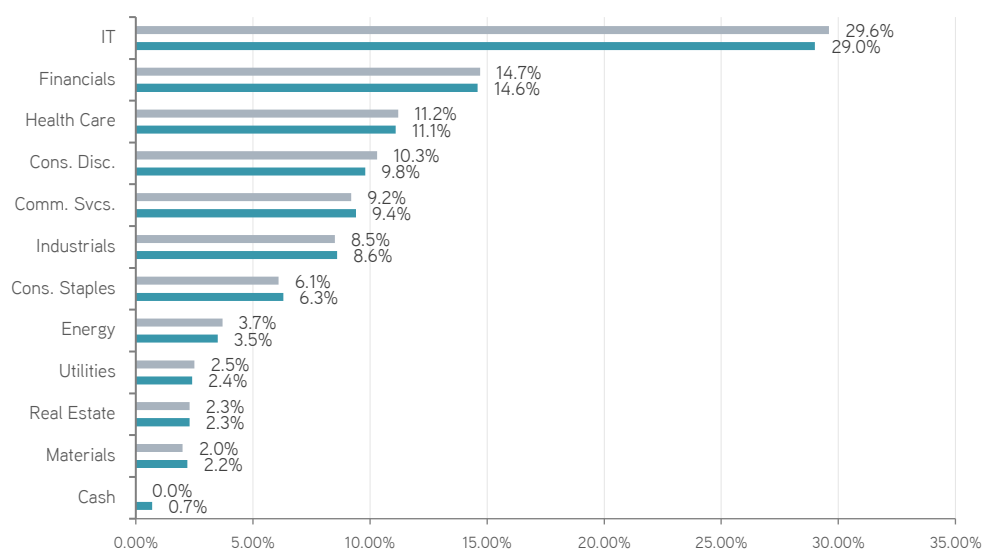
Source: Parametric, Bloomberg & FactSet as of 3/31/2025.

### Parametric Weights vs. Benchmark (as of 3/31/2025)

Parametric portfolios are primarily invested in equities, maintaining under 2% cash.

Source: FactSet Research Systems.

■ S&P 500® (%)  
■ Parametric US Large Cap (%)



### Top 10 Holdings % (as of 3/31/2025)

Apple Inc.	7.21
Microsoft Corporation	6.19
NVIDIA Corporation	5.90
Amazon.com, Inc.	3.68
Meta Platforms Inc Class A	2.62
Alphabet Inc. Class C	2.05
Eli Lilly and Company	1.74
Berkshire Hathaway Inc. Class B	1.65
Alphabet Inc. Class A	1.55
Tesla, Inc.	1.49

### Portfolio Statistics (as of 3/31/2025)

	Parametric	S&P 500®
<b>Capitalization (\$ Millions)</b>		
Wt. Average Mkt. Cap	927,825	907,143
Wt. Median Mkt. Cap	245,421	246,801
<b>Other Statistics</b>		
No. of Securities	300	503
Dividend Yield %	1.36	1.34
P/E Ratio	25.23	25.11
Price/Book	4.45	4.41

Source: Parametric & FactSet as of 3/31/2025. For illustrative purposes only. The above information is supplemental to the Composite's Global Investment Performance Standards (GIPS®) report contained herein as in integral part of this material. Composite data is based on the total assets of all fee-paying discretionary accounts eligible for inclusion in the Composite for the periods shown.

Top ten holdings are provided for a representative account based on weightings, not performance, and are not indicative of the entire composite. Individual client portfolio holdings will vary and there is no guarantee that a particular client's account will hold any, or all, of the securities identified. This is not an offer or recommendation to buy or sell securities. It should not be assumed that any of the securities listed were or will be profitable. Investments are subject to change without notice and may no longer be applicable. Forward Price to Earnings (P/E) Ratio is obtained from FactSet. Forward P/E is defined as the current market price divided by the expected earnings over the next 12 months.

# Parametric Tax-Managed Custom Core U.S. Large Cap Wrap Composite

## GIPS Report

Reported in USD

	Pure Gross Return AWR	Total Net Return AWR	Benchmark	3Yr Ex-Post Std Dev Composite Gross	3Yr Ex-Post Std Dev Benchmark	Internal Equal Wtd. Dispersion	Number Of Portfolios	Composite Assets (MM)	Total Firm Assets (MM)	Total Firm Economic Exposure (MM)**	Percent Wrap
2014	13.47%	10.16%	13.69%	9.01%	9.10%	0.49%	364	478			100.00%
2015	1.59%	-1.37%	1.38%	10.57%	10.62%	0.46%	664	779			100.00%
2016	12.07%	8.81%	11.96%	10.68%	10.74%	0.46%	1,019	1,180			100.00%
2017	22.05%	18.49%	21.83%	10.00%	10.07%	0.48%	1,554	1,944			100.00%
2018	-4.16%	-6.95%	-4.38%	10.87%	10.95%	0.41%	2,052	2,168			100.00%
2019	30.71%	26.90%	31.49%	11.93%	12.10%	0.61%	2,685	3,319	277,806		100.00%
2020	18.27%	14.82%	18.40%	18.66%	18.79%	0.71%	3,281	4,172	241,194	347,690	100.00%
2021	28.85%	25.10%	28.71%	17.32%	17.41%	0.64%	4,927	6,823	292,472	418,440	100.00%
2022	-17.90%	-20.29%	-18.11%	21.06%	21.16%	0.51%	7,310	7,464	265,381	381,191	100.00%
2023	25.39%	21.74%	26.29%	17.39%	17.54%	0.83%	9,116	10,725	334,544	465,175	100.00%

Benchmark: S&P 500® Total Return Index

Composite Creation Date: November 12, 2018; Inception Date: January 1, 2008

\*\*Total Firm Economic Exposure is the sum of the total firm assets and the firm overlay exposure. Firm overlay exposure represents the sum of the notional exposure of the overlay strategy portfolio or a specified contractual program notional value.

Annualized As Of 12/31/2023	Composite Gross Return	Composite Net Return	Benchmark
1 Year	25.39%	21.74%	26.29%
5 Year	15.45%	12.08%	15.69%
10 Year	11.97%	8.71%	12.03%

- Parametric Portfolio Associates® LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Parametric Portfolio Associates® LLC has been independently verified for the periods January 1, 2000, to December 31, 2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.
- Parametric Portfolio Associates® LLC (the "Firm") is an investment advisor registered under the Investment Advisers Act of 1940. Parametric Portfolio Associates® LLC provides rules-based investment management services to institutional investors, individual clients and commingled investment vehicles, including Systematic Alpha and Income Strategies, Custom Core, Centralized Portfolio Management ("CPM"), Customized Exposure Management ("CEM"), Volatility Risk Premium ("VRP"), Tax-Advantaged Bond Strategies (TABS), and Taxable Bond Strategies. The Firm has complied with the GIPS standards retroactive to January 1, 2000. Prior to July 1, 2019, the firm included only the Parametric Investment & Overlay Strategies. On July 1, 2019, the firm was redefined to include the Parametric Custom Tax-Managed & Centralized Portfolio Management Strategies. On January 1, 2020, the firm was redefined to include the Tax-Advantaged Bond Strategies (TABS), and Taxable Bond Strategies previously managed by Eaton Vance Management, an investment affiliate of Parametric's parent company, Eaton Vance Corporation. On May 1, 2023, the firm was redefined to include the Morgan Stanley Investment Management ("MSIM") Fixed Income Managed Solutions' strategies. For the purpose of complying with the GIPS standards, the Firm is defined and held out to the public as Parametric Portfolio Associates® LLC. On March 1, 2021, Eaton Vance Management and its affiliates (which includes Parametric Portfolio Associates® LLC) became wholly-owned, subsidiaries of Morgan Stanley. The Firm continues to operate as Parametric Portfolio Associates® LLC.
- Pure gross-of-fees returns, presented as supplemental information, do not reflect the deduction of any trading costs, fees, or expenses. Pure gross-of-fees performance figures are time-weighted rates of return. Performance results reflect the reinvestment of dividends, interest income and other earnings. Performance results are expressed in U.S. dollars. Past performance is not an indication of future performance.
- Internal dispersion is based on the sample using the equal-weighted standard deviation of the annual pure gross returns of those portfolios that were included in the composite for the entire year. When the composite consists of five or fewer portfolios for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite pure gross returns, and the benchmark returns over the preceding 36-month period. A pure gross return is the return on investments that is not reduced by any transaction's costs incurred during the period.
- Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
- A list including composite descriptions and pooled funds descriptions for limited distribution pooled funds is available upon request.
- GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
- The Parametric Tax-Managed Custom Core U.S. Large Cap Wrap Composite measures the total return all fully discretionary tax-managed and cash funded wrap accounts that seek long-term capital appreciation by investing primarily in U.S. securities benchmarked to the S&P 500® Index. Investing involves risk, including possible loss of principal. The value of investments held by the strategy may increase or decrease in response to economic, financial, and political events (whether real, expected or perceived) in the U.S. and global markets. The value of equity securities is sensitive to stock market volatility. The equity investments are exposed to liquidity, credit, currency, and inflation risk. Trading volume, lack of a market maker or trading partners, large position size, market conditions, company-specific events or legal restrictions impair its ability to sell particular investments or to sell them at advantageous market prices. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments due to adverse market, economic, political, regulatory, geopolitical, currency exchange rates or other conditions. Investment strategies that seek to enhance after-tax performance may be unable to fully realize strategic gains or harvest losses due to various factors. Market conditions may limit the ability to generate tax losses. Tax-loss harvesting involves the risks that the new investment could perform worse than the original investment and that transaction costs could offset the tax benefit. Also, a tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security in order to create tax losses. Prospective investors should consult with a tax or legal advisor before making any investment decision.
- The standard wrap fee schedule in effect is 3.00% of total assets. Net of fees results are calculated by deducting a 3.00% annual fee to serve as the highest wrap fee charged. In addition to Parametric's management fees, the total wrap fees may represent commissions, portfolio monitoring, consulting services and custodial services charged by the wrap sponsor.
- The composite's benchmark is the S&P 500® Total Return Index. The Index is a total return index that reflects both changes in the prices of stocks in the S&P 500® Index as well as the reinvestment of the dividend income from its underlying stocks. The Index is unmanaged and does not incur management fees, transaction costs or other expenses associated with separately managed accounts in this style. It is not possible to directly invest in an index. S&P Indices are a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates ("S&P") and have been licensed for use. Standard & Poor's® and S&P® are registered trademarks of S&P. Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P, Dow Jones and their respective affiliates do not sponsor, endorse, sell or promote the Fund and do not have any liability for any errors, omissions, or interruptions of the S&P Indices.
- Returns prior to January 1, 2019, were achieved from accounts managed by Parametric Custom Tax-Managed & Centralized Portfolio Management Strategies, therefore total firm assets for such periods are not applicable.

## Leadership Team

**Jennifer Sireklove, CFA**  
Managing Director,  
Investment Strategy

**Jeremy Milleson**  
Director,  
Investment Strategy

**Thomas Lee, CFA**  
Co-President,  
Chief Investment Officer

**Ben Davis, PhD**  
Managing Director,  
Research

**Brian Herscovici**  
Chief Operating Officer,  
Investments

## Disclosures

Parametric Portfolio Associates® LLC ("Parametric"), headquartered in Seattle, is registered as an investment advisor with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Parametric is a leading global asset management firm, providing investment strategies and customized exposure management directly to institutional investors and indirectly to individual investors through financial intermediaries. Parametric offers a variety of rules-based investment strategies, including alpha-seeking equity, fixed-income, alternative and options strategies. Parametric also offers implementation services, including customized equity, traditional overlay and centralized portfolio management. Parametric is a part of Morgan Stanley Investment Management, the asset management division of Morgan Stanley and offers these capabilities through offices located in Seattle, Boston, Minneapolis, New York, and Westport. This material may not be forwarded or reproduced, in whole or in part, without the written consent of Parametric. Parametric and its affiliates are not responsible for its use by other parties.

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### Account Criteria

Accounts are fully discretionary. Accounts are included in a composite in first full month of management and excluded after the last full month of investment. Terminated accounts are retained in composites for the full period of investment.

### After Tax Performance

When calculating after-tax returns, Parametric applies the client's individual tax rate (which may include federal and state income taxes), if provided by the client. If the individual tax rate is not provided by the client, Parametric applies the highest U.S. federal tax rates. For short-term gains, the highest U.S. federal marginal income tax rate is 37% plus

the 3.8% net investment income tax, for a combined rate of 40.8%. For long-term gains, the highest U.S. capital gains tax rate is 20% plus the 3.8% net investment income tax, for a combined rate of 23.8%. These assumed tax rates are applied to both net realized gains and losses in the portfolio. Applying the highest rate may cause the after-tax performance shown to be different than an investor's actual experience. Investors' actual tax rates, the presence of current or future capital loss carry forwards, and other investor tax circumstances will cause an investor's actual after-tax performance to be over or under Parametric's estimates presented here. In periods when net realized losses exceed net realized gains, applying the highest tax rates to our calculations illustrates the highest after-tax return that could be expected of the portfolio, and assumes the maximum potential tax benefit was derived. Actual client after-tax returns will vary. As with all after-tax performance, the after-tax performance reported here is an estimate. In particular, it has been assumed that the investor has or will have sufficient capital gains from sources outside of this portfolio to fully offset any net capital losses realized, and any resulting tax benefit has been included in Parametric's computation of after-tax performance.

Performance, cost basis, unrealized gain/losses, and realized gains/losses calculated and reported by Parametric may vary from official custodial statements based on different accounting procedures, reporting dates or valuation methodologies for certain securities. Client performance summaries and any related data produced by Parametric are not audited. Clients are encouraged to carefully review and compare the official custodial records with the various data and performance statistics reported by Parametric.

Benchmark after-tax returns are calculated for each client portfolio using client-specific, after-tax benchmark portfolios. Performance of the after-tax benchmark is calculated using the same inception date, cash flows, cost basis, and tax rates as the client portfolio. The after-tax benchmark's capital gain realization rate is based on the average turnover rate of the pretax benchmark and ending gain or loss of the after-tax benchmark for each period. The dividend income is estimated using the pretax benchmark index's dividend return during the period. After-tax benchmark returns reflect the deduction of taxes, but do not include any other fees or expenses. After-tax benchmark returns are estimates, do not reflect actual trading, and should not be relied on for investment decisions.

Tax alpha measures the impact of tax management on client accounts compared with the tax consequences of simply replicating the benchmark without regard to taxes. Tax alpha's main components are the before- and after-tax performance of client accounts and the benchmark. For client accounts, after-tax performance is based on actual realized gains and losses. For the benchmark, after-tax performance is based on the

gains and losses the benchmark would have incurred due to index turnover and client-directed activity (such as withdrawals). See disclosures for additional information. The gross-of-fees (GoF) formula for calculating tax alpha is  $\text{Tax AlphaGoF} = \text{AfterTax Excess ReturnGoF} - \text{BeforeTax Excess ReturnGoF}$ . The net-of-fees (NoF) formula is  $\text{Tax AlphaNoF} = \text{AfterTax Excess ReturnNoF} - \text{BeforeTax Excess ReturnNoF}$ .

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There is no assurance that a separately managed account ("SMA") will achieve its investment objective. SMAs are subject to market risk, which is the possibility that the market values of the securities in an account will decline and that the value of the securities may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g., natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g., portfolio liquidity) of events. Accordingly, you can lose money investing in an SMA.

Investment strategies that seek to enhance after-tax performance may be unable to fully realize strategic gains or harvest losses due to various factors. Market conditions may limit the ability to generate tax losses. Tax-loss harvesting involves the risks that the new investment could perform worse than the original investment and that transaction costs could offset the tax benefit. Also, a tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security in order to create tax losses. Prospective investors should consult with a tax or legal advisor before making any investment decision.

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Parametric is located at 800 Fifth Avenue, Suite 2800, Seattle, WA 98104. For more information regarding Parametric and its investment strategies, or to request a copy of the firm's Form ADV or a list of composites, contact us at 206 694 5500 or visit [www.parametricportfolio.com](http://www.parametricportfolio.com).

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