MFS®
Investment Management

MFS® Stewardship Report

Fourth Quarter 2025

FOR INSTITUTIONAL AND INVESTMENT PROFESSIONAL USE ONLY

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Sustainability at MFS

MFS has been actively managing our clients' money since we created the first US open-end mutual fund in 1924. Deep fundamental research and a long-term perspective constitute the foundation of our investment approach. We seek to achieve our clients' long-term economic objectives by responsibly allocating their capital.

As an active manager, we have always sought to identify investments that can add long-term value for our clients. In 2009, we formed the MFS Responsible Investing Committee, now known as the Corporate Sustainability Committee, and issued the MFS Policy on Responsible Investing and Engagement to ensure that the consideration of sustainability topics is systematically integrated into our investment process.

We are continually thinking about how to enhance our investment approach and capabilities to ensure we remain equipped to manage our clients' assets in a rapidly evolving sustainability landscape, and we have added resources dedicated to this effort. We have also enhanced our efforts relating to stewardship, which we define as our fiduciary duty to allocate capital responsibly, engage productively with companies and other industry participants and exercise our voting rights thoughtfully and deliberately.

This report provides a quarterly update of our sustainability and stewardship activity. We hope it offers our clients insights into our sustainability approach and how we allocate their capital responsibly. We recognize that sustainability is an important topic for our clients, and we welcome any opportunity to discuss it further with you.

Dedicated sustainability professionals

To facilitate the adoption, implementation and enhancement of sustainability-related practices across the firm, we task certain people with providing strategic leadership and supporting the effective integration of sustainability topics across teams and disciplines. These people are positioned across our ESG Research and Stewardship, Client Sustainability Strategy, Legal and Compliance teams, as outlined below.

Investment & Stewardship

ESG Research & Stewardship Team			
Director of Global ESG Integration **Rob Wilson**	*Fixed Income Research Analyst* **Joseph Baldwin**	*Stewardship Analyst* **Andrew Jones**	*Stewardship Senior Associate* **Xinyl Wan**
Equity Research Analyst **Pooja Daftary**	*Fixed Income Senior Research Associate* **Gabrielle Guillemette**	*Stewardship Specialist* **Alexandra Schoepke**	*Stewardship Associate* **Halley Scatchard**
Fixed Income Research Analyst **Mahesh Jayakumar**	*Director of Global Stewardship* **Franziska Jahn-Madell**	*Stewardship Senior Associate* **Herald Nikollara**	

Client Facing

Client Sustainability Strategy	
Global Head of Sustainability Strategy **Bess Joffe**	*Strategist* **Daniel Popielarski**
Senior Strategist **George Beesley**	*Lead Analyst* **Tessa Fitzgerald**
Strategist **Pelumi Olawale**	*Analyst* **Yasmeen Wirth**

Legal & Compliance

Legal & Compliance	
Managing Counsel **Susan Pereira**	*Compliance Lead Specialist* **Corey Bradley**
Compliance Officer **Justin McGuffee**	

As of 31-Dec-25.

ESG Research and Stewardship

Our investment team includes dedicated specialists who assist in strategy development, research, engagement and voting. These individuals all share a common goal of driving more efficient and impactful research and engagements across our holdings; some of these individuals also have more specialized roles to ensure the effective execution of our proxy voting rights. This group comprises 11 individuals, including a director of ESG integration, a director of global stewardship and nine dedicated sustainability and stewardship specialists across both equity and fixed income.

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Client Sustainability Strategy

A team of six is dedicated to engaging with our clients and the investment industry on ESG issues as well as developing thought leadership around sustainability topics. This team plays an important role in helping industry participants understand how MFS approaches sustainability.

Legal and Compliance

One attorney in our Legal Department is dedicated to assessing, monitoring and appropriately addressing ESG and stewardship-related issues to ensure MFS is aware of all relevant regulatory and legal requirements in the jurisdictions where we do business. Additionally, we have an ESG-dedicated compliance officer and a compliance specialist situated in our Compliance Department.

Sustainability and Stewardship Update

Fourth Quarter 2025

There were no material changes to our overarching sustainability and stewardship practices or policies during the fourth quarter of 2025.

We continued our progress on climate engagements, particularly in the defense sector.

ESG Research and Stewardship update

This quarter, we extended our AI power demand analysis to international markets with the goal of evaluating potential power bottlenecks. Utility and ESG analysts worked across Japan, India, Southeast Asia and Europe to build bottom-up power demand forecasts and estimate the share of AI power demand. We identified physical climate risk, water stress, and electricity as material hurdles in a few markets.

Our sustainability team convened for our annual sustainability offsite in our London office in November. In addition to sessions with our Legal & Compliance teams, the team discussed progress on climate transition plan analysis, engagement and integration best practices, collaboration between fixed income and equity, and a number of other topics. We conducted a deep dive into carbon markets (pricing and regulation), which continue to be a focus for 2026.

Stewardship at MFS

We believe open communication with companies and issuers is an important aspect of our ownership responsibilities, which is why we take a constructive approach to engagement. Characterized as collaborative, financial materiality-oriented and issuer-focused, we believe this approach gives us an analytical advantage and can act as a source of alpha generation. It is our view that the best outcomes are most likely achieved through strong relationships and regular, mutual dialogue with our portfolio companies. Our goal when engaging is to exchange views on ESG topics that may represent material risks or opportunities for companies or issuers, and to effect positive change on such issues where needed. We believe that long-term-oriented asset managers who engage companies on ESG topics can positively influence a multitude of better business practices, which will ultimately accrete value for our clients. Our engagement approach is driven by strong collaboration between all members of our investment platform, including our ESG and Stewardship Team. Our engagements take place consistently and in a number of different forms, often through mutual dialogue with company management, formal letters, ESG-focused board meetings, and more. We may also work with other industry participants.

We believe that our approach to engagement can generate positive impacts for industries, individual companies and a wide range of stakeholders, including shareholders. We actively participate in industry initiatives, organizations and working groups that seek to improve and provide guidance on corporate and investor best practices, ESG integration and proxy voting issues. MFS is a member of or signatory to a variety of organizations and initiatives that promote ESG topics, including the Principles for Responsible Investment (PRI), the Workforce Disclosure Initiative (WDI), the CDP and Ceres. We actively encourage our portfolio companies to enhance disclosure and adopt good practices across a variety of ESG topics.

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PROXY VOTING ACTIVITY

32
MARKETS

190
MEETINGS

1,469
PROPOSALS

8%*
VOTES AGAINST MANAGEMENT

**Percentage of total votes. MFS voted against management on at least one ballot item at 37.4% of meetings during the quarter.*

Though Q4 is a quiet month for proxy voting, the review of our proxy voting policy was completed.

MFS has updated the MFS Proxy Voting Policies and Procedures ("the Policy") effective January 1, 2026. When updating the Policy, we have the following core objectives in mind: (i) to make clear our expectations on good governance to both clients that have delegated us with voting authority and companies in which we invest; and (ii) to organize our voting guidelines by subject matter as opposed to markets, reflecting our view that the key principles of good governance apply globally.

As expectations evolve, we believe it is important to remain practical and agile in how we apply our principles while continuing to uphold our long-standing approach to governance. Our fiduciary duty remains central to every decision we make, and these refinements are designed to ensure that our voting practices continue to serve what we believe to be the best long-term economic interests of our clients.

It is important to note that our overall approach has not changed. We remain guided by the overall principle that voting decisions are made in what we believe to be in the best long-term economic interests of our clients.

A summary of the more substantive changes to the Policy is as follows:

- Restructuring our proxy voting guidelines to make them clearer and more understandable by eliminating market-specific information, examples of historical votes, and other unnecessary details. The guidelines have been revised to instead provide our general approach when considering particular ballot items.
- Revising our approach as currently described in the voting guidelines with respect to the following two matters.
  - First, the voting guidelines previously provide that we will vote against the chair of the nominating and governance committee at US, Canadian, European, Australian and New Zealand companies whose boards have less than 24% female directors. We have revised this approach by subjecting all boards with representation between 20% and 24% to a more nuanced review by our stewardship team to determine whether the facts and circumstances merit a vote against. This change is a departure from our current approach, whereby if representation falls below 24%, we vote against the chair unless the MFS Proxy Voting Committee determines that an override is warranted.
  - Second, our proxy voting guidelines currently provide that when analyzing stock plans, we focus solely on the aggregate amount of dilution. We have clarified our approach to instead consider both aggregate dilution and burn rate, because we believe that burn rate is an important element to consider when analyzing stock plans.

We are also revising the process that the MFS Proxy Voting Committee uses to identify certain material conflicts of interest. Currently, the Committee uses a two-step approach to identify certain material conflicts of interest. First, in cases where ballots are cast in accordance with an explicit proxy voting guideline, no material conflict of interest is deemed to exist. However, in cases where (i) we consider an override of a proxy voting guideline, (ii) we consider a matter for which we do not have a voting guideline to apply or which requires a case-by-case analysis, (iii) we identify and are evaluating a potentially concerning executive compensation issue in relation to an advisory pay or severance package vote, or (iv) we consider a proposal relating to a merger, an acquisition, a sale of company assets or other similar transactions (collectively, "Non-Standard Ballot Items"), we determine if the issuer is a significant distributor or client. Second, if the issuer is not a significant distributor or client, then no material conflict of interest is deemed to exist; however, if the issuer is a significant distributor or client, then the Committee will determine how to vote regarding the Non-Standard Ballot Item. Going forward, we will eliminate this two-step approach and instead the Proxy Voting Committee will vote on all ballot items at a meeting of an issuer that is a significant distributor or client. The Committee will also vote on all ballot items at a meeting of a company for which an MFS Fund director/trustee serves as director. We believe this change will result in more material conflicts of interest being identified.

Gases and Technology Company

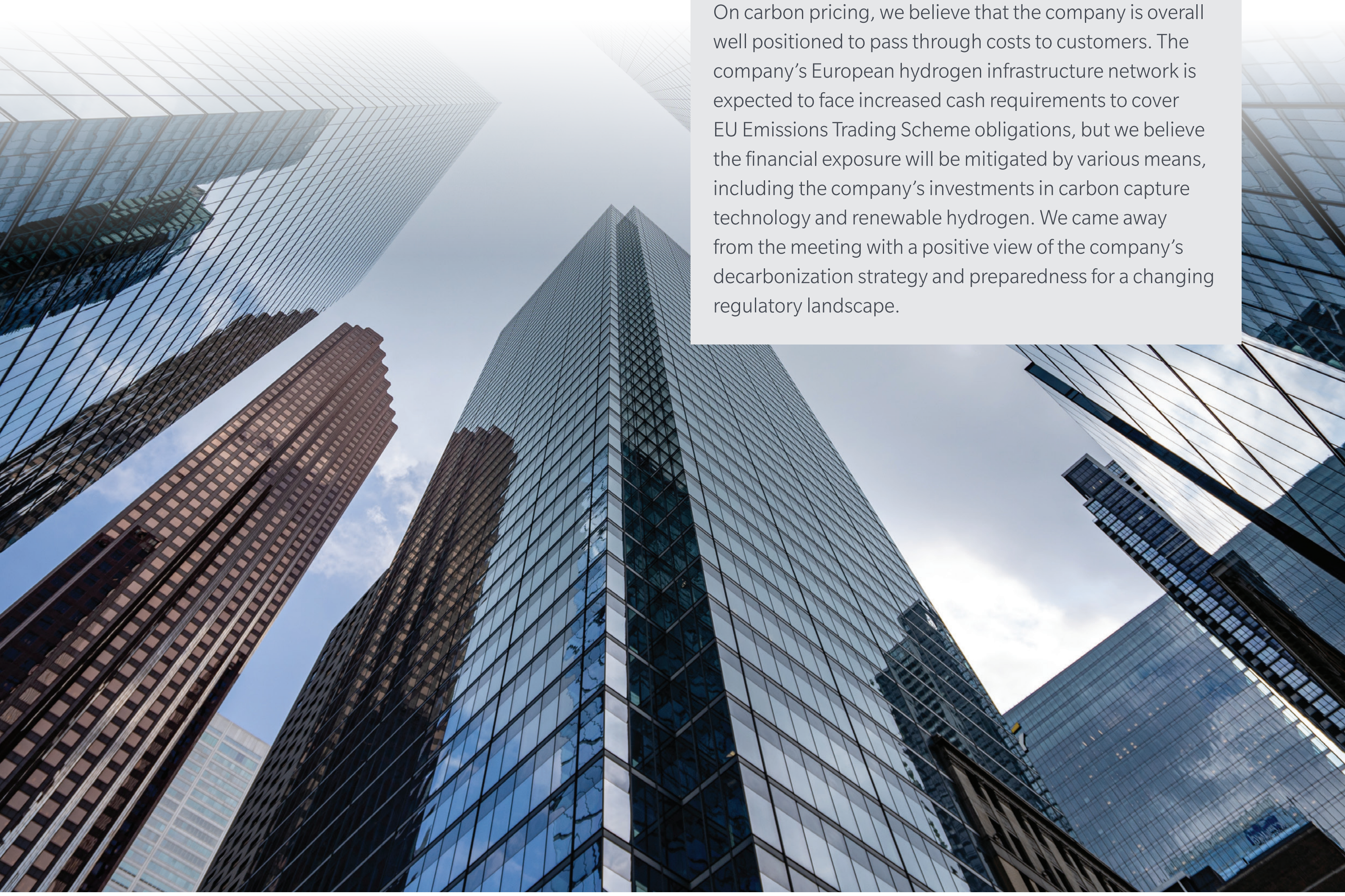
Sector: Capital Goods

Industry: Specialty Chemicals

FIVE NEW DIRECTORS HAVE JOINED OVER THE PAST TWO YEARS, BRINGING VALUABLE EXPERTISE IN DIGITIZATION AND INDUSTRY KNOWLEDGE.

We recently engaged with the chairman of a European chemicals company, alongside senior management, to discuss board composition, executive compensation, hydrogen strategy, and carbon-pricing risk. On governance, the chair provided an overview of board effectiveness and recent changes, noting that five new directors have joined over the past two years, bringing valuable expertise in digitization and industry knowledge. The board also proposed an increase in long-term and climate-related incentives for the CEO. Overall, the company communicated their reaffirmed focus on efficiency, margin improvement, and long-term growth looking forward.

On carbon pricing, we believe that the company is overall well positioned to pass through costs to customers. The company's European hydrogen infrastructure network is expected to face increased cash requirements to cover EU Emissions Trading Scheme obligations, but we believe the financial exposure will be mitigated by various means, including the company's investments in carbon capture technology and renewable hydrogen. We came away from the meeting with a positive view of the company's decarbonization strategy and preparedness for a changing regulatory landscape.



Food and Beverage Company

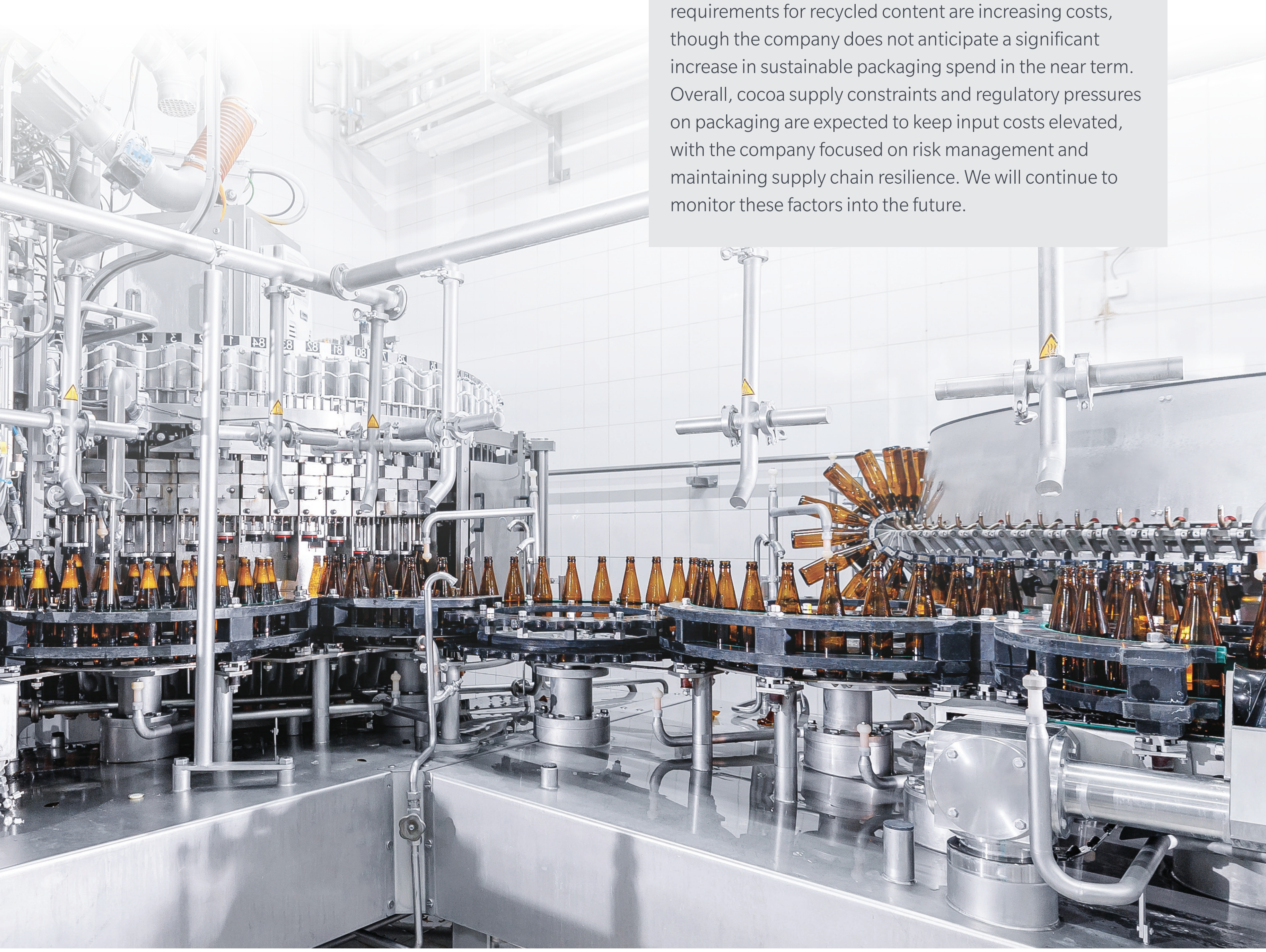
Sector: Consumer Staples

Industry: Food & Beverage

THE COMPANY'S ABILITY TO INFLUENCE GLOBAL COCOA SUPPLY IS SIGNIFICANTLY LIMITED BY GOVERNMENT CONTROLS IN WEST AFRICA

We engaged with a packaged food company's sustainability team to discuss their cocoa supply chain resilience and cost outlook. Despite ongoing investment in sustainable sourcing and farmer support, the company's ability to influence global cocoa supply is significantly limited by government controls in West Africa, which will likely continue to drive supply volatility and elevated prices for the foreseeable future. While the Latin American cocoa supply is growing, it is unlikely to meaningfully shift market dynamics in the near term.

We believe that the company is managing cost pressures through hedging and modest product reformulation, but consumer demand for sustainably sourced cocoa limits substitution options. On packaging, regulatory requirements for recycled content are increasing costs, though the company does not anticipate a significant increase in sustainable packaging spend in the near term. Overall, cocoa supply constraints and regulatory pressures on packaging are expected to keep input costs elevated, with the company focused on risk management and maintaining supply chain resilience. We will continue to monitor these factors into the future.



Technology Company

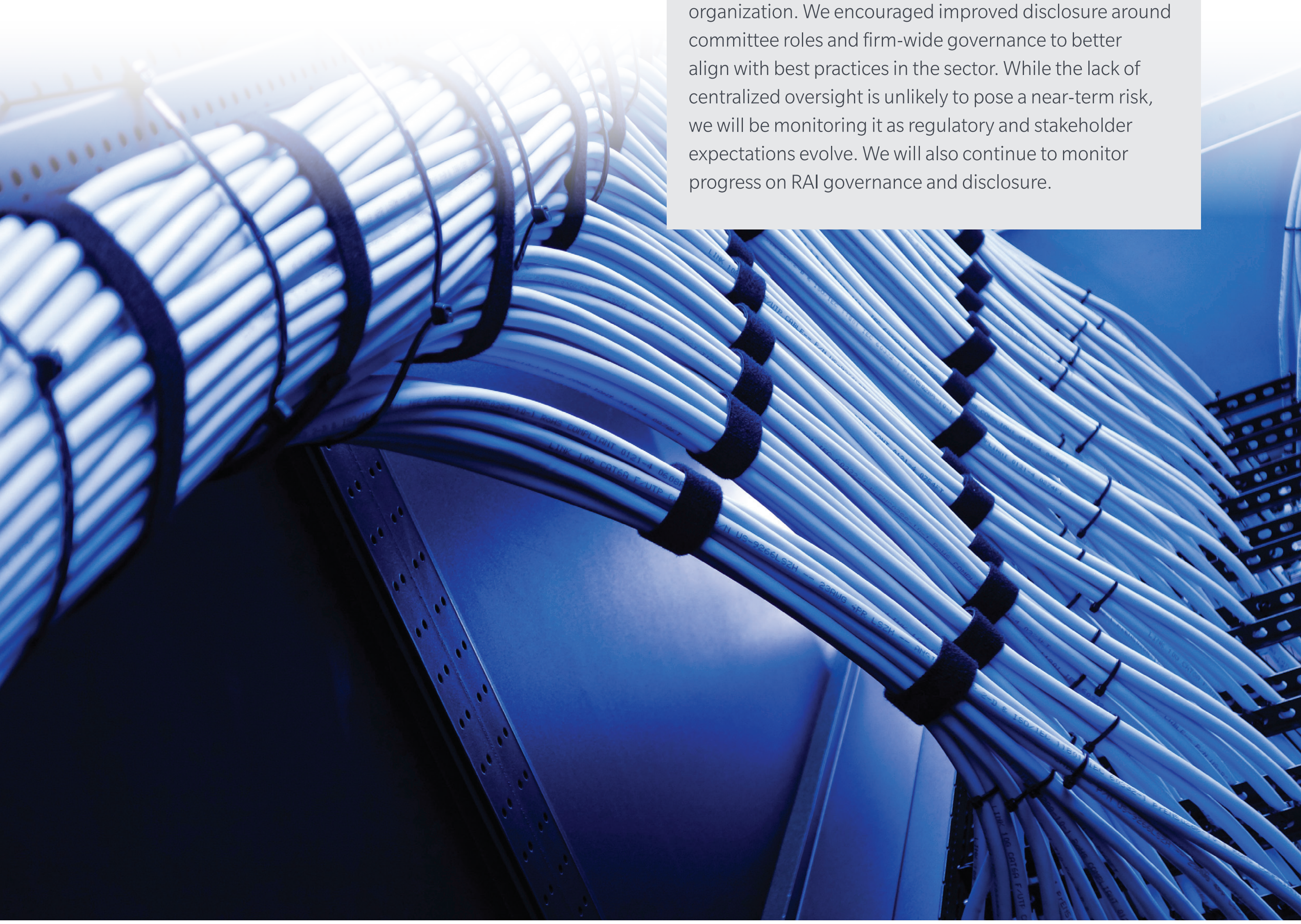
Sector: Technology

Industry: Computer Systems

WE ENCOURAGED IMPROVED DISCLOSURE AROUND COMMITTEE ROLES AND FIRM-WIDE GOVERNANCE TO BETTER ALIGN WITH BEST PRACTICES IN THE SECTOR.

We recently engaged with an American technology company to discuss their Responsible AI ("RAI") practices and governance. The company's approach to RAI disclosure differs from peers, with technical documentation spread across multiple sites and limited consumer- or investor-friendly summaries. While they have established various committees and frameworks to address RAI, in our view, there is currently no clear, centralized oversight or structured decision-making process at the firm level. Board oversight of RAI also remains fragmented, with privacy and compliance falling under the audit committee and board expertise monitored by a different body.

Despite the company's assurances regarding technical expertise and thoughtful management, we see an opportunity for enhanced transparency by clarifying how RAI decisions are coordinated and overseen across the organization. We encouraged improved disclosure around committee roles and firm-wide governance to better align with best practices in the sector. While the lack of centralized oversight is unlikely to pose a near-term risk, we will be monitoring it as regulatory and stakeholder expectations evolve. We will also continue to monitor progress on RAI governance and disclosure.



Gaming Company

Sector: Consumer Cyclicals

Industry: Gaming & Lodging

WHILE INTERVENTION OUTCOMES ARE TRACKED INTERNALLY, PUBLIC DISCLOSURE OF KEY METRICS REMAINS LIMITED, HIGHLIGHTING AN OPPORTUNITY FOR GREATER TRANSPARENCY

In our recent engagement with a European sports betting and gaming company, we focused on regulatory compliance, safer gambling measures, and emerging themes like AI adoption and environmental disclosure. These topics are particularly material for the company given its history of regulatory breaches and fines. We were encouraged to see the company has significantly strengthened its compliance function, tripling the team's size and implementing new controls and systems. Market-specific compliance teams have been established to address regional requirements, and the company has invested in technology and proprietary systems to monitor and intervene with at-risk users. While intervention outcomes are tracked internally, public disclosure of key metrics remains limited, highlighting an opportunity for greater transparency as regulatory expectations evolve.

Following previous compliance failures and a merger, the company undertook a comprehensive restructuring of its executive management and board. The compliance function is now one of the largest teams within the organization, and the Audit Committee has been expanded to an Audit & Risk Committee. Compensation frameworks include safer gambling KPIs, though there is limited evidence of significant weighting within remuneration plans, suggesting only partial integration of ESG metrics into executive pay.

AI adoption is currently focused on internal productivity and customer personalization, with governance frameworks for algorithmic bias and responsible targeting still in early stages. We plan to monitor how AI integration aligns with safer gambling principles and regulatory standards.

Overall, we view the structural changes implemented in recent years, particularly the strengthened compliance function and refreshed executive team, as positive developments that lower the risk of future regulatory breaches. Looking ahead, we will continue to engage on the evolution of the company's AI strategy and transparency around safer gambling interventions.

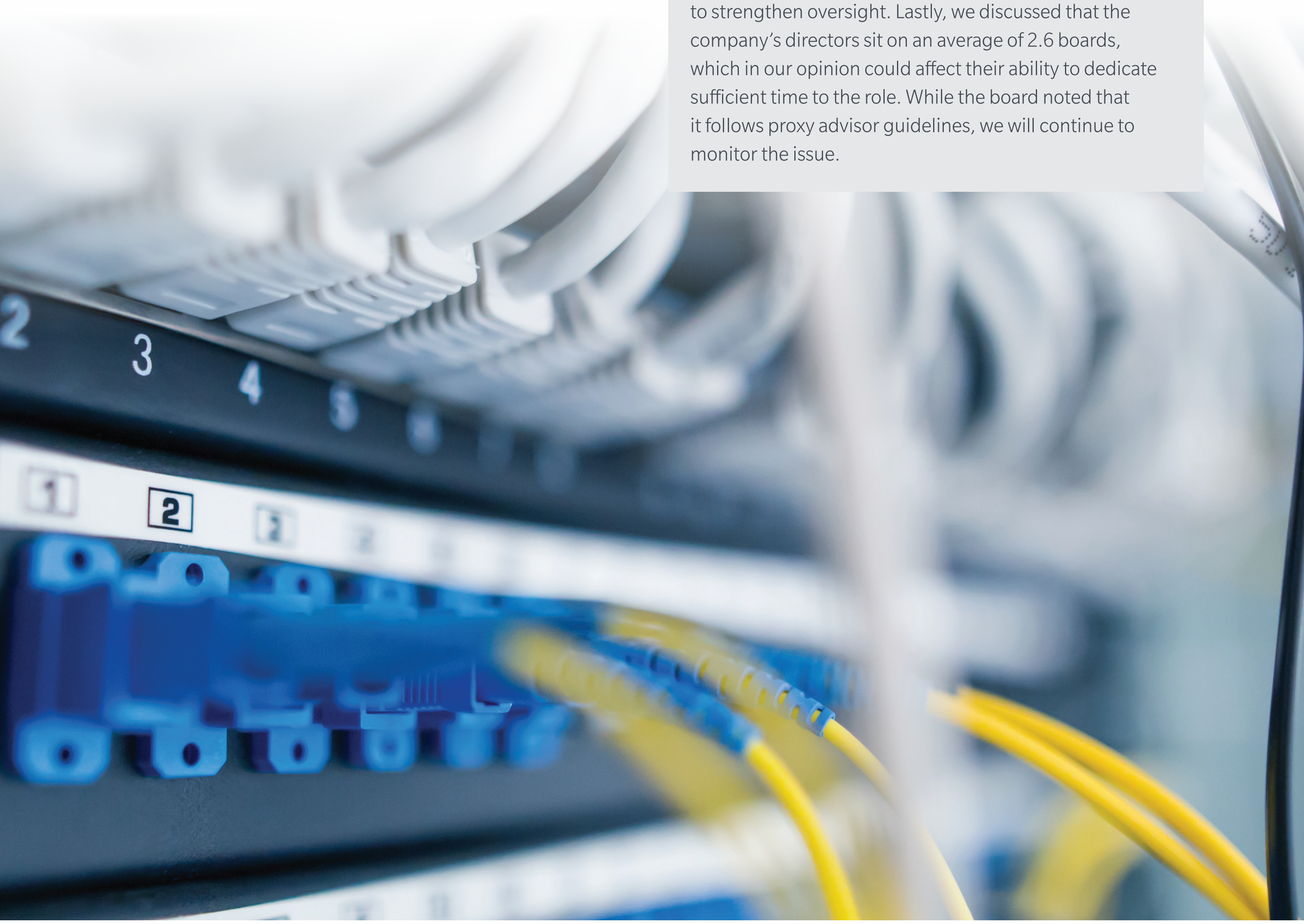
Travel Technology Company

Sector: Technology
Industry: Computer Systems

WE DISCUSSED THE CONTINUATION OF CALIBRATING COMPENSATION TO SUPPORT RETENTION AND STRONG TALENT RECRUITMENT

In our recent engagement with a Spanish technology company, we reviewed several components of the company's executive compensation program and broader governance practices. The board shared plans to modify the non-financial, ESG-related components of the CEO's short-term incentive plan. We discussed the continuation of calibrating compensation to support retention and strong talent recruitment, particularly given our concerns that historically conservative pay may have contributed to weaker senior hires.

Additionally, we discussed the board's oversight of artificial intelligence and potential overboarding risks. AI governance currently sits with the full board, with one director bringing strong domain expertise; however, training so far has been delivered solely by internal staff. We spoke about incorporating external perspectives to strengthen oversight. Lastly, we discussed that the company's directors sit on an average of 2.6 boards, which in our opinion could affect their ability to dedicate sufficient time to the role. While the board noted that it follows proxy advisor guidelines, we will continue to monitor the issue.



MFS® Investment Management

In 1924, MFS launched the first US open-end mutual fund, opening the door to the markets for millions of everyday investors. Today, as a full-service global investment manager serving financial professionals, intermediaries and institutional clients, MFS still serves a single purpose: to create long-term value for clients by allocating capital responsibly. That takes our powerful investment approach combining collective expertise, thoughtful risk management and long-term discipline. Supported by our culture of shared values and collaboration, our teams of diverse thinkers actively debate ideas and assess material risks to uncover what we believe are the best investment opportunities in the market.

MFS may incorporate environmental, social, or governance (ESG) factors into its investment decision making, fundamental investment analysis and engagement activities when communicating with issuers. The statements or examples provided illustrate certain ways that MFS has historically incorporated ESG factors when analyzing or engaging with certain issuers, but they are not intended to imply that favorable investment, ESG outcomes or engagement outcomes are guaranteed in all situations or in any individual situation. When engaging with companies, including engagements on ESG topics, MFS' focus is discussing, gathering information about, and seeking appropriate transparency on matters that could be material to the long-term economic valuation of the company so that MFS may make an informed investment decision that advances MFS clients' long-term economic interests. MFS does not engage for the purpose of trying to change or influence control of a company. Engagements often consist of ongoing communications with an issuer. Engagement with an issuer may not result in any direct changes to any issuer's ESG-related practices. Favorable investment or engagement outcomes, including those described above, may be unrelated to MFS analysis or activities. The degree to which MFS incorporates ESG factors into its investment decision making, investment analysis and/or engagement activities will vary by strategy, product, and asset class, and may also vary over time, and will generally be determined based on MFS' opinion of the relevance and materiality of the specific ESG factors (which may differ from judgements or opinions of third-parties, including investors). Any examples above may not be representative of ESG factors used in the management of any investor's portfolio. Any ESG assessments or incorporation of ESG factors by MFS may be reliant on data received from third-parties (including investee companies and ESG data vendors), which may be inaccurate, incomplete, inconsistent, out-of-date or estimated, or only consider certain ESG aspects (rather than looking at the entire sustainability profile and actions of an investment or its value chain), and as such, may adversely impact MFS' analysis of the ESG factors relevant to an investment. The information included above, as well as individual companies and/or securities mentioned, should not be construed as investment advice, a recommendation to buy or sell or an indication of trading intent.

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