



MFS Diversity Annual Report 2022



RESPONSIBLY
ACTIVE
FOR A
CENTURY

INTRO

CULTURE

TALENT

COMMUNITY

SNAPSHOT

Responsibly Active for a Century

Since launching the first US open-end mutual fund in 1924, MFS has been committed to a single purpose: to create value responsibly for clients. Through our durable investment approach we combine collective expertise, long-term discipline and thoughtful risk management to uncover what we believe are the best investment opportunities in the market.



/ DEI AT MFS /

Diversity, equity and inclusion (DEI) are foundational to the work we do as active managers, essential to our longevity and critical to our purpose. We've built our DEI strategy based on these beliefs and our commitment to making our firm, industry and world more inclusive.

To drive greater diversity, elevate equity, increase inclusion and build belonging, we focus on **culture, talent** and **community** both inside MFS and externally with our clients, industry peers and partners. Our strategic DEI goal is to create an inclusive workplace where people of all identities and backgrounds can thrive and grow.



Responsibly active

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/ REPORTING WITH PURPOSE /

MFS has always viewed culture as critical to an organization’s long-term success and sustainability. As investors, we want to see evidence of a strong culture in the companies we own on behalf of clients. As an investment manager, we want to show evidence of our strong culture to those we serve to help them understand how we invest responsibly and create value on their behalf. This report is our way of doing that.

This year, we’ve focused on the idea of “better together,” because we believe the power of what we do along our DEI journey lies in our ability to do it together. Throughout 2022, we’ve been operationalizing a system in which we work together to carry out our DEI strategy, address critical issues and continually foster an inclusive culture.

Michelle Thompson-Dolberry,
MFS Chief DEI Officer



Culture

Sustain and enhance an inclusive work place

Talent

Build a diverse work force and leadership pipeline

Community

Drive DEI in our communities and industry



ENHANCE OUR
EMPLOYEE
EXPERIENCE

INTRO

Better together

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**MICHELLE THOMPSON-
DOLBERRY**
MFS CHIEF DEI OFFICER



MICHAEL ROBERGE
MFS CHIEF EXECUTIVE
OFFICER

To put “better together” into practice, we embrace what we each bring to the table while working toward a common purpose. That’s why we adopted “celebrate all differences” as our new company value this year. Appreciating what makes us each unique and respecting our different experiences allows us to create a workplace where everyone feels heard, valued and included. Acknowledging the importance of DEI through this new value is truly a cultural win and a setup for future success.

Being better together doesn’t just happen. At times, it takes practicing a behavior until it becomes automatic. While everyone at MFS has needed time to adjust to working in the office after being virtual for so long, we ultimately felt a renewed appreciation for sharing diverse perspectives and generating great ideas face to face.

Appreciating what makes us each unique and respecting our different experiences allows us to create a workplace where everyone feels heard, valued and included.

And we’ve carried that idea of better together through the DEI work we’ve done this past year, coordinating our efforts for a bigger impact and finding more synergies in what to work on, who to partner with and how to drive key initiatives forward. For the two of us, that’s a matter of empowering each other to push forward, paving the way for bold thoughts and challenging the status quo. We’re not afraid of candid conversations, because that’s what advances our DEI work.

As we approach our 100th anniversary, working toward making MFS an even more diverse and inclusive organization in the century to come, we believe that transparency will be transformative. Level-setting about where we are now with respect to workforce diversity, where we hope to be and how we plan to get there is the key to engaging everyone here at MFS in our DEI journey.

Michelle Thompson-Dolberry
Mike Roberge

SUSTAIN AND ENHANCE AN INCLUSIVE WORKPLACE

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We believe the best way to enhance our employee experience is by assessing and strengthening our culture. The progress we make on DEI relies heavily on our culture — a shared appreciation and respect for our differences and a willingness to help foster an environment where everyone belongs.

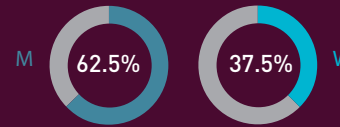
Culture

/ CELEBRATE ALL DIFFERENCES /

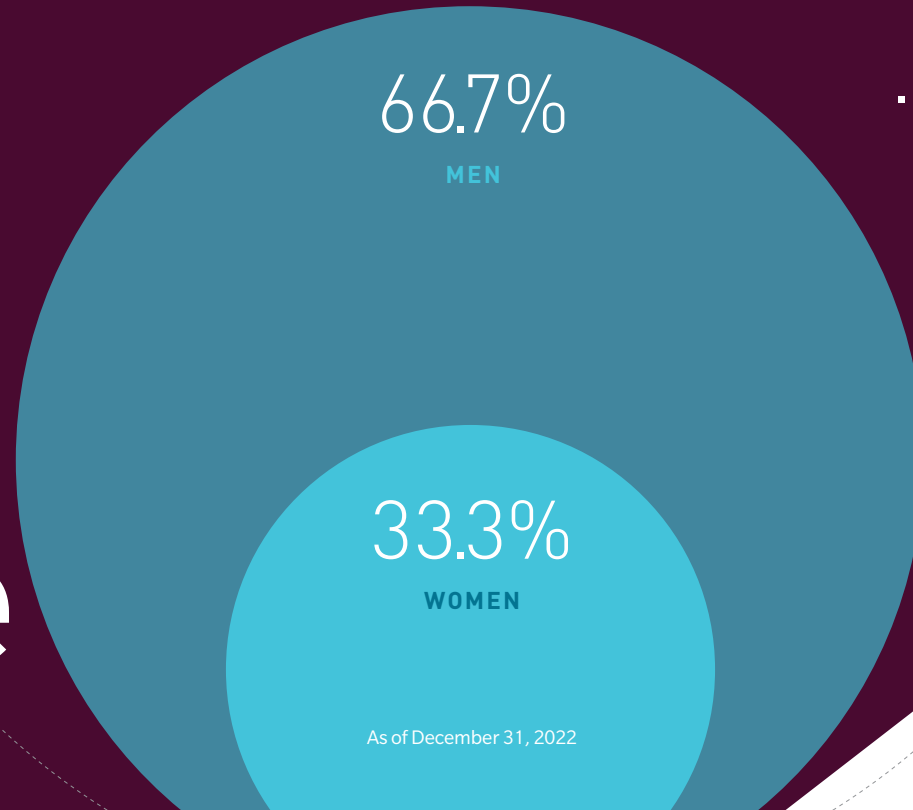
Our newest company value, “celebrate all differences,” embodies the spirit of our inclusive culture, because it means we respect diverse experiences and embrace what we each bring to the table. The following initiatives support and enhance our inclusive culture:

- Top-down programs and policies that are both mandated and modeled by our senior leaders
- Bottom-up efforts driven and owned by employees who take responsibility for creating an inclusive workplace every day
- Firm-wide accountability that drives us to modify our behavior, engage in allyship, be transparent and commit to change
- Support for and the empowerment of our diverse communities through our employee resource groups (ERGs)

/ MFS MANAGEMENT COMMITTEE /



/ MFS BOARD OF DIRECTORS /



As of December 31, 2022



Owning accountability

1

Launched our first DEI survey to see how employees felt about it, the efforts we were making at MFS, what they wanted to learn more about and what they wanted to see. We're already implementing some programs in response to the survey findings. This includes our DEI Deep Dive communications series, which keeps employees abreast of leadership priorities and DEI progress. We also launched our allyship training program and created to-do lists with our employee resource groups to help employees get past the fear of making mistakes and address their desire to know what they can do to engage in DEI at MFS.

2

Hosted our first DEI town hall, which allowed us to share in-depth details about our DEI Roadmap and leadership priorities and engage in a robust Q&A with employees on their concerns and needs

3

Conducted our employee experience survey to give employees the chance to share honest feedback on a range of work-related topics, including their experience at the firm. The survey will help us focus on the topics that matter most to our employees. [SEE RESULTS BELOW](#)

4

Created a diversity representation DEI scorecard as a mechanism for transparency, benchmarking, measuring and working toward improvement

5

Implemented an employee listening strategy to foster more conversations while increasing inclusion and belonging

Building a culture of feedback

DEI progress demands conversation. To understand employee concerns and needs and then respond directly with our plans to address them, we engaged in these activities to build a culture of feedback.

Employee experience – strengths and opportunities

91%

of employees responding understand how their work contributes to positive outcomes for the firm and clients

85%

of employees responding feel that their manager cares about their well-being

85%

of employees responding feel that MFS provides a supportive and inclusive culture

48%

of employees responding feel that MFS provides opportunity for advancement

55%

of employees responding see a path for them to advance their career at MFS

A preliminary analysis of our employee experience survey results shows us that employees feel connected to our shared purpose and to each other as a result of our inclusive culture. We also see an opportunity to enhance awareness and transparency around career development opportunities, and the work we've been doing on our global career map (page 17) will help us make progress in this area.

SUSTAIN AND ENHANCE AN INCLUSIVE WORKPLACE

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Owning accountability

1

Launched our new company value “celebrate all differences” to make this idea foundational to who we are, what we expect of each other and how we show up each day. It’s also part of our everyday aspiration to build a more diverse workforce and maintain a workplace where everyone can thrive.

2

Assessing and strengthening our culture

Launched mandatory allyship training to support higher engagement, productivity and retention and to give employees tips on how to get involved in DEI efforts at MFS

3

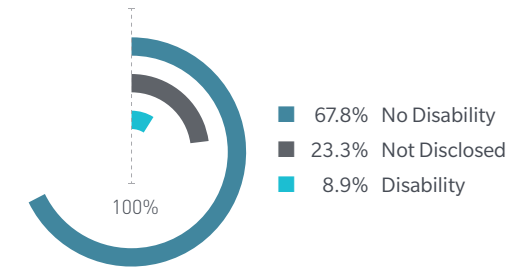
Enhanced our employee DEI goal (embedded in performance measurement) by asking for a greater commitment to our initiatives, created a goal for managers and updated performance competencies to support DEI

4

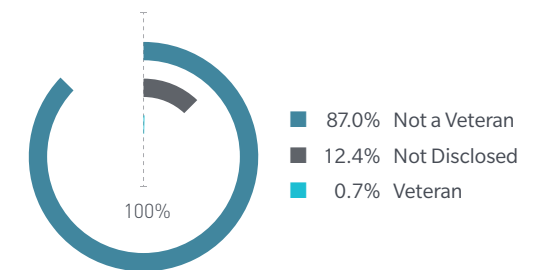
Continued to expand our data collection to better understand our workforce composition, establish benchmarks, measure our progress and drive DEI initiatives. In 2022, we created more opportunities for employees by introducing the option to voluntarily self-identify on gender identity (global), race/ethnicity (Canada) and sexual orientation (US). This data better informs our programs and policies and helps us determine where and how we need to expand development opportunities.

US headcount diversity

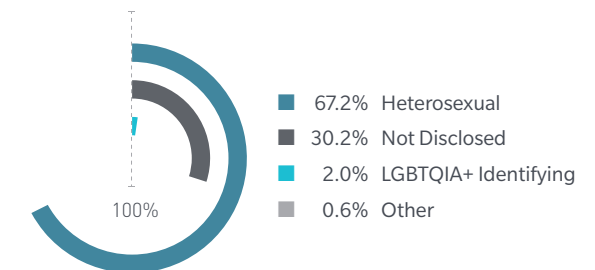
/ DISABILITY STATUS /



/ VETERAN STATUS /



/ SEXUAL ORIENTATION /



Owning accountability

1

Presented DEI education and practices at key internal forums at MFS, including our Leadership Forum, Investment Roundtable and Global Distribution Roundtable

2

Researched and will ultimately adopt Human Rights Campaign (HRC) policies to make sure we're operating in a way that fully supports our LGBTQ+ community and creating an environment that feels welcoming to current and prospective employees

3

Partnered with the organization, White Men As Full Diversity Partners, to understand unintentional bias and the impact of privilege in addition to learning more inclusive leadership practices

4

Accepted accountability for creating an environment of inclusivity through allyship, which includes leaders demonstrating allyship themselves as well as promoting allyship practices across the firm and supporting relevant training as needed

Promoting inclusive leadership

Having set our foundation for strong DEI practices, this year we gained clarity on where we are and insights on what we need to do. Then we built strategies to analyze, measure and move forward.

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Better together



CAROL GEREMIA
MFS PRESIDENT



VISHAL HINDOCHA
MFS HEAD OF CLIENT
SUSTAINABILITY

Working better together helps us generate better ideas. We believe that all of us together are smarter than any of us individually. More important, we get more done together and the outcomes of our efforts outlast any one team.

Delivering for our clients demands creativity, hard work and taking risks. In fact, we're in the business of taking risks with other people's money, and in order to do that responsibly we need the support of our colleagues. It's not about any individual thought or idea; we must do our work collectively to reduce risk and get to better outcomes.

When we've got other people to support us, we have the confidence to get to the best answer. Sometimes that means slowing down to reap the benefit of diverse views, but that's a price we're willing to pay to get to the best possible outcome. As the saying goes, if you want to go fast, go alone, but if you want to go far, go together.

Delivering for our clients demands creativity, hard work and taking risks.

That's the philosophical mindset at MFS — believing that the best outcomes happen when we slow down, consider diverse views and collaborate to vet ideas together. And it's a mindset that depends on low value diversity — a **shared purpose** — and high cognitive diversity — combining many different perspectives. With high cognitive diversity, we can see risks that one person might not be able to see, and we can mitigate natural biases.

This mindset — that we're better together than as individuals and our shared purpose is to deliver what's in the best interest of clients — is how we'll sustain our inclusive culture. And as we face the challenges and opportunities in the future, we want to adapt and thrive rather than simply survive. To do that, we must make inclusion our top priority. It's not enough for us to have diverse thinkers. We have to operate from a place of inclusion and through that we will deliver our best long-term results for investors.

Carol Geremia
Vishal Hindocha

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Making connections through our ERGs

MFS employee resource groups (ERGs) provide internal programming and networking opportunities as well as recruiting support and partnering with charitable organizations. To further advance our DEI agenda, our ERGs contribute to policy and procedure changes, particularly related to their specific community. For example, our Pride ERG helped shape our HRC submission as well as our domestic partner benefits. At present, more than 30% of our full-time employees are involved in one or more ERG at MFS.

Our ERGs also offer mentoring and networking and help with development opportunities for members of their communities. WE@MFS, our women's ERG, provides a mentoring program that aims to help women achieve personal and professional success through mentoring partnerships. This six-month program covers women's development and provides visibility, community and resources for women in their community. YPN@MFS regularly hosts professional development workshops and networking events in addition to acting as mentors for MFS co-ops.

 **INclusivity@MFS**

Robust ERG programming has ramped up further during the past year with a hybrid approach that has met the needs of employees around the globe. As pandemic conditions eased, employees enjoyed in-person events, including educational speakers, panels, local cultural celebrations and opportunities to volunteer with partner charities. Sample programming for each of our ERGs can be seen in the pages that follow.

YPN@MFS
Young Professionals

Pride@MFS
LGBTQ+

WE@MFS
Women

Mosaic@MFS
People of Color



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Mosaic@MFS

The mission of Mosaic is to foster an environment of inclusion, empowerment, and equity for underrepresented employees of color.



Celebrated Black History Month with the Smithsonian National Museum of African-American History and Culture



Celebrated AAPI month with Professor Karen Teoh to discuss Asian-American history and current challenges



Celebrated Hispanic Heritage Month with journalist Lilia Luciano and a dance class featuring three styles of Latin Dance



Celebrated South Asian culture with an employee panel, external speaker Ashanti Omkar (who discussed representation and unconscious bias), a Bolly Zumba dance lesson and an in-person event



Celebrated World Food Day around the globe, with employees gathering to enjoy food from diverse regions and cultures



NATASHA WILSON
MFS GLOBAL MOBILITY
SENIOR SPECIALIST

▲▲ My involvement in the Mosaic ERG has brought me a sense of community. It is a kaleidoscope of cultures with our differences as the link that binds us together. As we all try to connect and foster relationships, we are striving to bring out that innate quality of ourselves, and that's simply authenticity. Being in an organization that celebrates all differences, makes me personally feel that you see me. I am supported, empowered and encouraged to be my best self! ▼▼

/ 2022 MOSAIC EVENTS /



WORLD FOOD DAY



HISPANIC HERITAGE MONTH



JUNETEENTH CELEBRATION



DIWALI CELEBRATIONS

Embracing the power of color

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Pride@MFS

The mission of PRIDE@MFS is to promote LGBTQ+ focused networking, educational and social opportunities for members of the MFS family. We aim to foster positive, respectful, professional relationships that enrich the overall workplace.



Celebrated Pride month with trans athlete and advocate Chris Mosier



Hosted a panel discussion on book banning in partnership with Mosaic



Celebrated National Coming Out Day by hosting a concert and fundraiser to support Boston Alliance for Gay and Lesbian Youth (BAGLY)



Sponsored and volunteered at Youth Pride event for BAGLY



Supported World AIDS Day by volunteering and fundraising with local charitable partner Community Servings



SHARON GOUGH
MFS DIRECTOR - PROGRAM MANAGEMENT

▲▲ Being a member of Pride@MFS has allowed me to make impactful change within the organization and give back in many ways to our LGBTQ+ community — not just the people here today but also the new people we bring in. For me it's about being able to make sustainable long-term change here and create a welcoming workplace. ▼▼

/ 2022 PRIDE EVENTS /



NATIONAL COMING OUT DAY



CONCERT



FUNDRAISER



PRIDE SPIRIT EVENT

A place where you can be your true self



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WE@MFS

The mission of WE@MFS is to empower women to achieve professional fulfillment and contribute meaningfully to the long-term success of our company.



Hosted a discussion with award-winning educator Mori Taheripour on the power of bringing your authentic self to the table



Held a step up and stand out workshop with an Ellevest career coach about taking on new challenges, growing and making an impact



Hosted a Woman of the Quarter speaker series celebrating influential women at MFS, who offered unique perspectives and real-life career path insights



Attended the Women's Lunch Place charitable breakfast to learn about the services it provides to women, donated toiletries and personal care items and participated in multiple WLP volunteer events



Volunteered at Rosie's Place women's shelter and supported its holiday card fundraiser



NEHA SHAH
MFS COMPLIANCE
SPECIALIST TEAM LEAD

▲▲ Real queens help fix each other's crowns. Being a part of WE@MFS has given me the privilege of finding a village of strong and honest women that help other women grow and step out of the shadows. ▼▼

/ 2022 WE EVENTS /



WOMEN'S LUNCH PLACE



ROSIE'S PLACE



NETWORKING EVENTS



WE ANNIVERSARY

Where women
connect, collaborate
and contribute

SUSTAIN AND
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YPN@MFS

The mission of the YPN is to enhance the professional growth, exposure and development of our young professionals, and increase their collective contributions to MFS and our communities.



Delivered a three-part series of professional development workshops available to MFS employees



Hosted a series of fireside chats featuring conversations with senior MFS leaders



Hosted a wine tasting event and supported a POC- and women-owned company, Urban Grape



Started a mentorship program in which members of YPN mentor co-ops (college age students) working at MFS



Supported our environment and cleanup efforts by volunteering with Boston Harbor Now and the Franklin Park Zoo



COREY BRADLEY
MFS RISK SENIOR ANALYST

▲▲ Being a part of the YPN has contributed to both my professional and personal growth tremendously. Not only have I engaged more with my colleagues, but I have also been given so many new and exciting opportunities because of the YPN. The relationships that I have built through the YPN mean the world to me, and it is so rewarding to see other young professionals succeeding and expanding their careers through the network. ▼▼

/ 2022 YPN EVENTS /



BPL BOARD



COMMUNITY SERVINGS



COOKING CLASS



VOLUNTEERING

Invest in all you can become



INTRO

BUILD A DIVERSE WORKFORCE AND LEADERSHIP PIPELINE

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Our focus on talent is about building a more diverse workforce, developing diverse leaders and maintaining an employee population that represents the world around us. We're particularly focused on growing and developing our emerging and entry level talent pipelines.

Talent

/ THE BEST TALENT IS DIVERSE TALENT /



Strategically source diverse talent through external partnerships and fair internal hiring practices



Target growth opportunities to each of our diverse populations and expand our external partnerships to support these efforts



Operate in line with a data-driven recruiting strategy that will allow us to set goals, analyze our progress and create targeted plans to build and retain a diverse workforce



Create a transparent, consistent and equitable career path process to encourage growth at all levels of MFS

/ DIVERSIFYING OUR TALENT PIPELINE /

- Built data-driven diversity recruiting strategy
- Engaged with external partners to attend in-person and virtual career fairs targeting diverse groups. Examples include the Massachusetts Conference for Women, DICE Diversity in Tech and Recruit Military. We also hosted internal workshops for our community and national partners to provide insight into MFS and the industry for candidates at all levels.
- Created more entry level roles across the organization to develop diverse populations more organically, particularly in our global technology department
- Leveraged our employee resource groups (ERGs) to support our diverse recruiting initiatives by utilizing their broad networks to access more diverse talent pools and nominating ambassadors to assist with career fairs and workshops. Currently our ERGs (Mosaic, PRIDE, WE and YPN) serve people of color, the LGBTQ+ community, women and young professionals.

BUILD A
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AND
LEADERSHIP
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Better together



MARK LEARY
MFS CHIEF HUMAN
RESOURCES OFFICER



ANNE MARIE BERNARD
MFS SVP -
BUSINESS HR

When we share a common goal and purpose, this organization thrives. Any of us can have a great idea. When we bring others along for the journey, however, we see the value in leveraging diverse views and working toward our goals — together.

Being present together matters and we appreciate our in-person time, especially after the pandemic. When we meet up informally in the hallways, meaningful conversations get started and great things happen. At the same time, better technology has given us more ways to feel connected, even in hybrid meetings.

That idea of connection drives the way we view DEI — not as a separate initiative but rather as business-led and fully integrated into our culture. That's why our chief DEI officer reports in with our CEO; she is leading a part of our business strategy, which is enabled by our people platform.

Data has also become critical to helping us connect the dots on DEI, holding ourselves accountable and making better people decisions.

Data has also become critical to helping us connect the dots on DEI, holding ourselves accountable and making better people decisions. We've built out our people analytics team to support our data-driven approach to DEI, whether we're promoting self-identification or

looking at representation. Data will also inform our talent management programs and solutions, which will help us

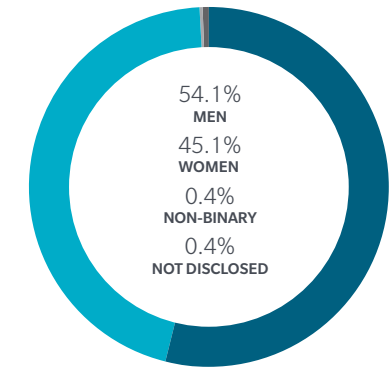
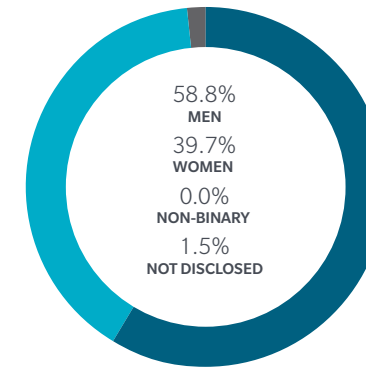
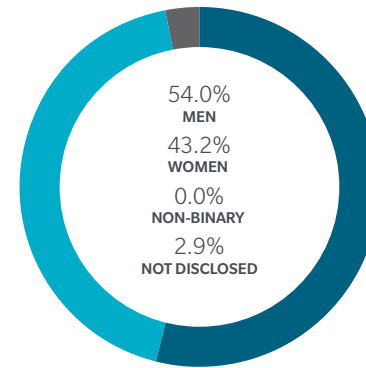
develop our diverse pipeline and enhance our ability to attract and retain underrepresented talent.

Our success will rely on thoughtful workforce planning, taking a longer view and aligning that with our DEI strategy. Ultimately, we hope to leave the company in a better place than it was when we joined. So, we'll continue to make a difference in the communities where we live and work.

Mark Leary
Anne Marie Bernard

Global hires

/ GLOBAL HIRES - GENDER /

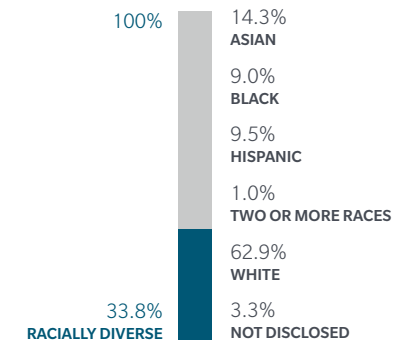
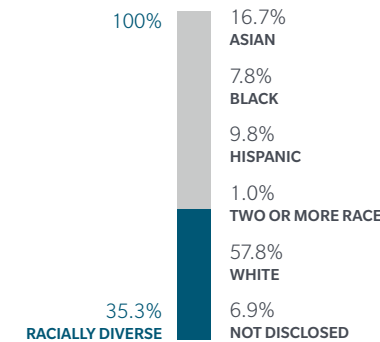
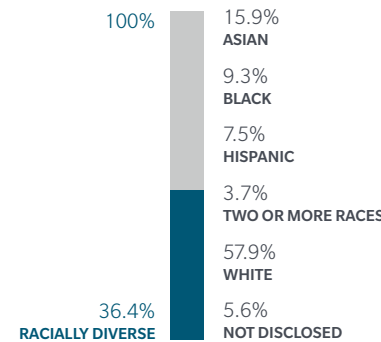


The representation of women in our global hires dropped between 2020 and 2021 but increased between 2021 and 2022 by 5.4%.

As we, along with the industry, have continued to search for and hire more diverse talent pools, we've been focused more on entry level hires. While progress was limited from 2020 to 2021, from 2021 through 2022 we were able to move the needle in certain populations.

The representation of racially/ethnically diverse employees in our US hires population has slightly decreased since 2020, although we did see a slight increase in representation for Black employees between 2021 and 2022.

/ US HIRES - RACE/ETHNICITY /



2020

2021

2022

In our US, UK and Canada offices, 35.6% of our hires were racially or ethnically diverse in 2022. As we began tracking race and ethnicity in the United Kingdom in 2021 and Canada in 2022, we don't have three years' worth of data for those regions.



BUILD A DIVERSE WORKFORCE AND LEADERSHIP PIPELINE

Following fair hiring practices

1

To make jobs more accessible to a wide pool of candidates, we added language in all job postings to encourage applications even when applicants don't meet all the job requirements. In addition, we now consider relevant education, credentials or experience as an alternative to unilateral education requirements.

2

We put a process in place to ensure we have diversified hiring teams, unbiased candidate screening and a structured interview process.

3

We secured organizational support for fair hiring practices to ensure a consistent perspective and structure with clear hiring goals, leadership accountability and mandatory training.

4

We got baseline representation in every department, along with a commitment to focus their hiring efforts on meeting and eventually exceeding our minimum baseline.

To continue making progress on hiring diverse talent, we remain focused on adapting and evolving our hiring practices

US HEADCOUNT - RACE/ETHNICITY

Diversifying our sales force

While we're focused on diversifying our workforce across the organization, we want to highlight the progress we've made within our internal sales force. Since 2020, the representation of racially or ethnically diverse employees within our internal sales force has increased by 5.6%. Although we still have work to do, we're pleased with our progress so far on diversifying our entry level sales roles, which often serve as a talent pipeline for other parts of the organization. We're sharing our learnings from this recruiting effort across the organization to see if we can apply these diverse recruiting practices more broadly.

	2020	2021	2022	
	0.9%	1.9%	1.0%	ASIAN
	3.7%	4.8%	6.0%	BLACK
	0.9%	1.9%	3.0%	HISPANIC
	1.9%	1.9%	3.0%	TWO OR MORE RACES
	91.7%	88.5%	86.0%	WHITE
	0.9%	1.0%	1.0%	NOT DISCLOSED
	7.4%	10.6%	13.0%	RACIALLY DIVERSE

Developing our talent internally

- We built a service center talent augmentation plan across service center leadership, compensation, recruiting, benefits and learning and development.
- We added a critical DEI lens to the firm-wide talent assessments we host to support the launch of our “development in context” strategy.
- We offered targeted development opportunities to talent across the firm, including diversity certifications for four MFS professionals and our rotational development program for minority employees.
- We created our Global Career Map (GCM) to encourage growth at all levels of MFS, transform our career development platform, support a more diverse and inclusive workplace and provide greater uniformity of job structures across MFS. This multiyear initiative, which involved senior leaders, human resources and external consultants, features a consistent and equitable career path process. We started by creating consistency in our roles across the organization. This involved introducing a standard job level structure with greater uniformity and transparency around how we define roles, required skills and potential career paths for employees.

/ DEVELOPMENT PROGRAMS /

Rotational Development Program

Designed to provide underrepresented candidates with exposure to different areas of the company and targeted learning opportunities

Legal Fellowship

Accepts candidates who have recently completed their Juris Doctorate studies and have demonstrated a commitment to promoting diversity, equity and inclusion or have overcome obstacles, financial or otherwise, while pursuing a legal career

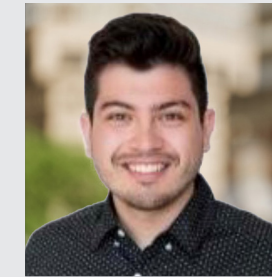


Ashley King
MFS Rotational Development Program Associate

Participating in MFS’ Rotational Development Program has not only given me a sense of this industry and our place in it but also taught me to adapt — to different types of teams, work ethics, expectations and workflows. That’s a skill I’ll keep with me forever.

In the RDP, we work in four different departments, spending six months in each over a two-year period, which showed me the big picture at MFS.

Even in terms of how I’ve approached the RDP, I’ve been given the flexibility, within the broader framework, to make my experience my own. For me, conversations and relationships are really important because I learn a lot by seeing others’ thought processes. What I’ve found is that the people here are so willing to connect with and support me. I’ve never felt out of place and have always felt — even when shifting to a new role every six months — that wherever I’ve gone, people have wanted me to grow and succeed.



Eli Gramajo
MFS Equity Research Associate
Nicsa Rising Star

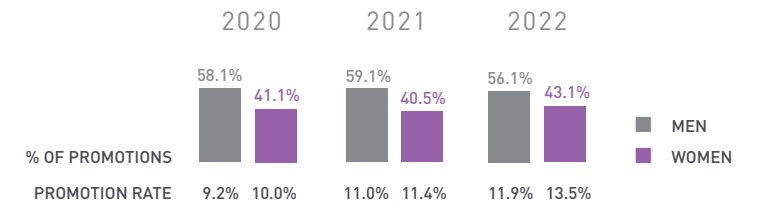
Eli Gramajo was nominated and chosen to participate in Nicsa’s Rising Star program, which offers member firms a “meaningful way to celebrate and cultivate the next generation of diverse leaders.” Eli was selected for this honor based on his demonstrated leadership qualities, commitment to DEI in the workplace and willingness to participate in a six-month executive coaching program. Eli is enjoying the Nicsa Rising Star program and says, “Nicsa is empowering me!”

Global promotions

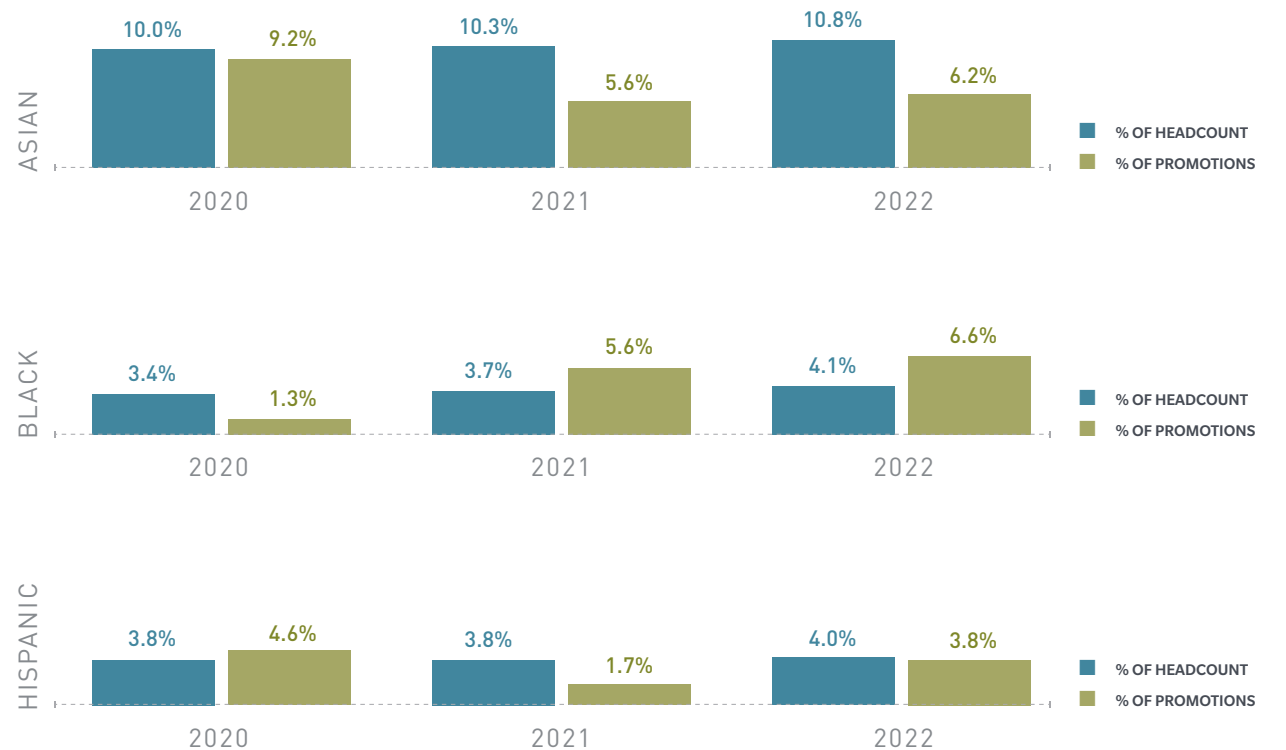
Our promotion rates for both men and women have increased since 2020. This is tied to the firm's slight increase in turnover over the past two years. Since 2020, the promotion rate for women has been higher than that of men.

Our promotion rate for Black employees in the US increased from 3.7% in 2020 to 21.2% in 2022 — a noteworthy 17.5%. Asian employees are slightly underrepresented in promotions relative to their representation in our overall headcount. The promotion rate for Hispanic employees dropped in 2021, but more than doubled between 2021 and 2022. Finally, in 2022, white and racially diverse employees in the US had roughly the same promotion rate, an improvement from the prior year.

/ GLOBAL PROMOTIONS BY GENDER /



/ US PROMOTIONS BY RACE/ETHNICITY /



Retention matters

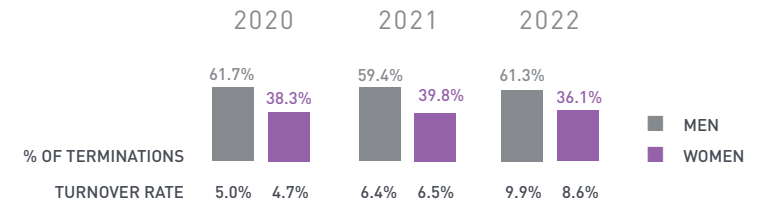
At MFS, we've always been proud of our low employee turnover, as we believe it speaks to our strong culture.

Employees want to be here. At the same time, we're aware that employment conditions change, and understanding the reason for any attrition across our employee base will help us retain diverse talent.

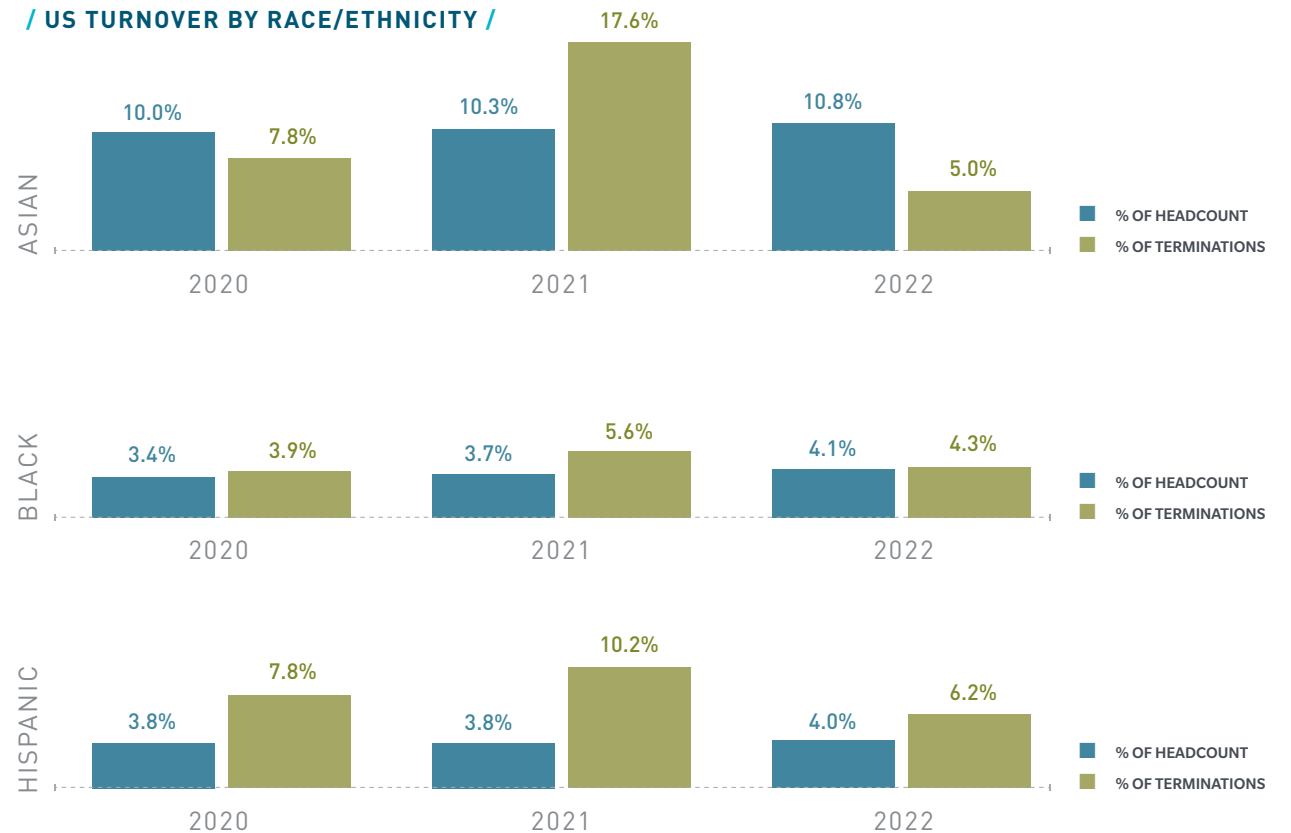
Since 2020, turnover has increased, due in part to pent-up turnover because of the pandemic and in part to our return to the office two to three days a week, which has required employees to live within a commutable distance.

Turnover for all racial and ethnic groups increased between 2020 and 2021, especially for Asian and Hispanic employees. Turnover for white employees remained flat between 2020 and 2021 but doubled between 2021 and 2022.

/ GLOBAL TURNOVER BY GENDER /



/ US TURNOVER BY RACE/ETHNICITY /



INTRO

BUILD A DIVERSE WORKFORCE AND LEADERSHIP PIPELINE

CULTURE

Committing to pay equity and equal opportunity

TALENT

We partner with external organizations that can help us extend our reach and diversify our talent pipeline, including Posse, Bottom Line and The Partnership

COMMUNITY

Equal Opportunity

Diversify Empower

SNAPSHOT

MFS is committed to a core philosophy of paying employees in similar roles with similar experience, skillset and performance equitably. The company undertakes robust and regular compensation analyses. MFS reviews its compensation practices for pay equity and in the past has proactively adjusted compensation due to inconsistencies identified through this review process.

Beyond this core philosophy, the firm is committed to equal employment opportunity (EEO) principles throughout the career journey in terms of both external hiring and internal advancements and promotions. MFS is confident in our global business practices and the role they play in decreasing compensation bias and fostering a culture of performance and empowerment.



**BUILD A
DIVERSE
WORKFORCE
AND
LEADERSHIP
PIPELINE**

INTRO

CULTURE

TALENT

COMMUNITY

SNAPSHOT

Strategic partnerships

Strategic partnerships

One of our partners, Circa, has a vast network of 15,500 diverse community partners, including veterans, LGBTQ+, individuals with disabilities, minorities and women, professional and industry organizations, construction and skilled trade associations and college students. Our top goal in working with Circa is to remove bias and provide accountability while bringing talent and businesses together to enhance the livelihood, diversity and growth of local communities.

For our investment team's pre-MBA internship, we recruit exclusively through our sponsorship of Toigo and their fellows. The Toigo Foundation works to build stronger, more diverse organizations through the inclusion and advancement of underrepresented talent.

Campus partnerships

MFS has built many partnerships with national and local schools, colleges and student clubs. Through posting sites like Handshake and Symplicity, we can engage with thousands of college and university partners. We foster stronger partnerships with schools that have shown a commitment to DEI and that align with our hiring goals. We continue to identify student groups and organizations at our campus partners that allow us to interact specifically with underrepresented groups.

Diverse networking events

Together with members of our employee resource groups, we've attended recruiting fairs targeting diverse populations. Members of our Pride ERG (LGBTQ+) along with other senior leaders at MFS attended Boston Spirit's LGBTQ+ Executive Networking Night, which is the largest LGBT business event in Boston, attracting more than 5,300 corporate professionals. At the event, MFS Chief Diversity, Equity and Inclusion Officer Michelle Thompson-Dolberry offered remarks on the power of the LGBTQ+ community in advancing social justice and equal rights.

We foster stronger partnerships with schools that have shown a commitment to DEI and align with our hiring goals.

We work with organizations that serve underrepresented minority professionals:

- National Society of Black Engineers (NSBE)
- ALPFA (Association of Latino Professionals for America)
- The Partnership, Inc
- Association for Wholesaling Diversity (AWD)

We work with organizations that serve students and alumni:

- #1000BlackInterns
- Bottom Line Inc
- Matriculate
- United Negro College Fund
- Boys and Girls Clubs
- The Posse Foundation
- Squashbusters



At MFS, every connection matters, whether it's to our clients, our industry and peers or the communities where we work and live. Making the most of these connections and the communities that come with them is a matter of relationships, responsibility and a long view.

As long-term thinkers and investors, we understand and have made the time commitment needed to improve on DEI. We also understand that to improve DEI beyond the walls of MFS takes a global vision. For that reason, we're aligning ourselves with other organizations around the world to make progress.

/ ADVANCING DEI EFFORTS IN OUR INDUSTRY /

To support DEI progress in our industry, we've partnered with various global organizations, had a voice in critical conversations and signed on to initiatives aimed at driving change.

- In 2022, we became signatories of the CFA DEI code, having helped shape its provisions in 2021. As signatories, we agree to abide by six defining principles to drive cultural change while the CFA continually supports and monitors industry progress.
- Also in 2022, MFS CEO Mike Roberge signed onto the CEO Action for Diversity & Inclusion. Along with other CEOs, he pledged to support a more inclusive workplace for employees, communities and society. Specific commitments include cultivating environments that support open dialogue on difficult DEI conversations; implementing and expanding unconscious bias education and training; sharing the best known DEI programs and initiatives; and engaging boards of directors when developing and evaluating DEI strategies.
- Through our membership in Nicsa's Diversity Project, North America we collaborate with other asset managers and pool resources to improve DEI across a range of dimensions in our industry.
- We've also partnered with ShareAction, a UK-based nonprofit whose mission is to work with investors to engage with companies and encourage them to change unsustainable corporate practices. ShareAction has developed a robust questionnaire for operating companies, the Workforce Disclosure Initiative (WDI), which covers a range of workforce-related topics. MFS works with ShareAction to encourage portfolio companies to participate in WDI by completing the questionnaire and publishing their results. We have committed to doing the same and have completed and submitted responses to the core questions of the questionnaire. We believe the WDI will continue to help standardize industry metrics on DEI.

Community

Operating on DEI principles

In 2022, we built a supplier diversity strategy and code of conduct, and we continue to research and expand our network of diverse vendors. With respect to our ERG programming, we search for and use diverse suppliers where there is the opportunity to do so.

DRIVE DEI
IN OUR
COMMUNITIES
AND INDUSTRY

INTRO

CULTURE

TALENT

COMMUNITY

SNAPSHOT

Better together



TED MALONEY
MFS CHIEF INVESTMENT
OFFICER



GABRIELLE GOURGEY
MFS DIRECTOR -
INVESTMENTS -
EUROPE

From an investment viewpoint, MFS has always seen the value of bringing together diverse perspectives because we have valued the outcomes they bring. Of course, 50 years ago, the idea of diverse perspectives, in what was a far less diverse industry, was very different. Today's dimensions of diversity are much more extensive than they were decades ago, but we've been evolving our approach to building and managing our investment teams to align with these changes.

For us, it's critical to get inclusion — the "I" in DEI — right, because it impacts the way we work and make important decisions together. There is no blueprint for success when it comes to inclusion. It's much more principles-based, which is hard to manage and even harder to measure. On a global team, however, we have to optimize inclusion around the world by respecting cultural differences.

There is no blueprint for success for inclusion. It's much more principles-based, which is harder to manage and even harder to measure.

Given our extremely low turnover, we don't get many shots at diversifying the team on the way in, so that makes inclusion even more critical. For this reason, we've tasked our leadership team with making sure we have an equitable and inclusive approach, which means developing everyone. And in some cases, it means focusing more on developing people with different

backgrounds. We've even taken a hard look at some of our past traditions — some that are sacred to our firm, like our global investment roundtable — and evolved them to be as inclusive as possible going forward.

It is our ability to adapt and evolve that matters most. Decades ago, most of our investment team members and clients looked like each other. But today, considering the global makeup of the world and our aspirations to deliver desired outcomes for our clients, one of the best things we can do is represent them better, whatever they look like.

Ted Maloney
Gabrielle Gourgey

DRIVE DEI
IN OUR
COMMUNITIES
AND INDUSTRY

INTRO

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COMMUNITY

SNAPSHOT

Committed to giving back

MFS Corporate Citizenship sponsors ample volunteer opportunities and connects our employees with events and learning opportunities with our charitable partners.

The work we're doing globally to improve DEI is just as important as the work we do in our own backyard. As a firm committed to a culture of giving, MFS supports many underserved community organizations — both financially and through the generous volunteerism of our employees. Throughout the year, MFS Corporate Citizenship sponsors ample volunteer opportunities and connects our employees with events and learning opportunities with our charitable partners.

This year, during our Global Month of Giving Back, which we held throughout October, MFS employees acted on their passion for helping underserved communities around the world by volunteering their time. Whether they were helping families get the food and clothing they needed, creating safe play spaces, acting as mentors or repairing equipment for those with disabilities, MFS employees showed the spirit of giving that's at the heart of our culture. We held 47 volunteer events in October during which our employees donated more than 1,000 volunteer hours.



1

GLOBAL MONTH

47

VOLUNTEER EVENTS

1,000+

VOLUNTEER HOURS



Supporting diverse and underserved communities

We participate in programs that empower our communities in key areas including health, education, self-sufficiency, civic engagement, social justice and the environment. Some of the organizations we support have been our partners for more than three decades and many for more than a decade — evidence that we believe in the idea of better together and taking a long view. As with our approach to investing, we see value in bringing together different viewpoints and taking the time to let good ideas develop into great outcomes. We believe that if we're going to support underserved populations, it's important to have long-term partnerships and add new organizations when we see an opportunity to make a difference. Here are some of the organizations that MFS serves around the world:

Horizons for Homeless Children United States

Improves the lives of young homeless children in Massachusetts by providing high-quality early education, opportunities for play and comprehensive family support services

- Volunteer Opportunities
- In-Kind Donation Drives
- Annual Gala
- Leadership Breakfast
- Board Membership

City Year United States

Helps improve outcomes for students in systemically under-resourced schools and develops the next generation of young leaders

- Service Projects
- Volunteer Opportunities
- Board Membership
- Women's Leadership Breakfast
- Annual Gala
- AmeriCorps Appreciation Event

Greater Boston Food Bank United States

Provides three meals a day to every person in need in Eastern Massachusetts while supporting healthy lives and healthy communities; the largest hunger-relief organization in New England and one of the largest food banks in the country

- Volunteer Opportunities
- Annual Gala
- Board Membership

Posse Foundation United States

Identifies talented students from diverse backgrounds who are missed by elite schools but have extraordinary potential, organizes them into multicultural groups of 10 — posses — and teaches them how to lead

- Volunteer Opportunities
- Board Membership
- Awards Ceremony
- Recruitment Pipeline

Culture of giving

1992 1999 2010

Supporting diverse and underserved communities

Community Servings United States

Engages the community to provide made-from-scratch, medically tailored meals to individuals and their families experiencing critical or chronic illness and nutrition insecurity, while prioritizing racial and economic justice and health equity in all programs and business practices

- Volunteer Opportunities
- Annual Gala
- Cooking Demonstrations

Cradles to Crayons United States

Provides children from 0 to 12 living in homeless or low-income situations with the essential items they need to thrive — at home, at school and at play

- Volunteer Opportunities
- Annual Gala
- Board Membership

Beyond Social Services Singapore

Helps less-privileged youth break out of the poverty cycle

- Volunteer Opportunities

Bottom Line United States

Transforms urban communities by helping first-generation students from low-income backgrounds get into college, graduate and go far in life

- Job Shadow and Career Days
- Annual Gala Awards Ceremony
- Board Membership
- Recruitment Pipeline

Exodus Foundation Australia

Helps address the cause and effect of homelessness and poverty through a combination of food provision, health services, social welfare and education support

- Volunteer Opportunities

Rainbow Centre Singapore

Helps create opportunities for people with disabilities to make the most of their abilities and participate meaningfully in society

- Volunteer Opportunities

Youth Without Shelter Toronto

Provides homeless youth ages 16 to 24 in the Greater Toronto area with case management services, hygiene products and clothing, life skills training, job search and preemployment training, and housing assistance

- Volunteer Opportunities

2013/14

2015

2016

Supporting diverse and underserved communities

Bromley Brighter Beginnings United Kingdom

Aims to provide essential baby, child or household items to local families in financial hardship and raise awareness about the level and impact of poverty on the lives of children and their parents

- Volunteer Opportunities

2017

Caritas Luxembourg

Community and specialist support for people who are deprived and socially excluded; provides year-round assistance as well as emergency support and works to integrate these people into society

- Volunteer Opportunities

2019

Florence Japan

Tackles rapidly evolving social challenges in Japan by providing support to single mothers, education for refugees and children, and care for children with special needs

- Volunteer Opportunities

2020

Indigenous Literacy Foundation (ILF) Australia

Focuses on closing the literacy gap between indigenous and nonindigenous children by providing books to remote communities where few are available

- Volunteer Opportunities
- Financial Support

UNCF Lighted Pathways United States

Builds a robust, nationally recognized pipeline of underrepresented students who become highly qualified college graduates through UNCF support

- Volunteer Opportunities
- Annual Gala
- Giving Campaign
- Board Membership

2021

The 519 Toronto

Supports the health, happiness and full participation of the 2SLGBTQ+ communities in Toronto and beyond

- Volunteer Opportunities

RedStart United Kingdom

Provides continual primary education with interactive, fun learning experiences for children ages 4 to 11 delivered through schools

- Volunteer Opportunities

Culture of giving

INTRO

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SNAPSHOT

/ VOLUNTEER OPPORTUNITIES /

In 2022, MFS Corporate Citizenship focused on fortifying partnerships with organizations that tie directly back to our purpose and engaging our employees with volunteer opportunities that are meaningful to them. In addition, Corporate Citizenship worked with our recruiting team to expand our outreach to diverse candidates — those from underserved communities in particular.

Leveraging partnerships with our ERGs helped us support and partner with community organizations that align with ERG causes such as those on the right.

/ Pride@MFS /

BAGLY (Boston Alliance for Gay and Lesbian Youth)

/ YPN@MFS /

Cradles to Crayons (everyday essentials for children in need)

/ WE@MFS /

Stonehouse (domestic violence shelter)

/ Mosaic@MFS /

Boston Chinatown Neighborhood Center

Better together, better tomorrow

Our DEI journey is about our future. As we've all seen, the world is changing — the way we live and certainly the way we work. Our DEI strategy and initiatives have to support us through this change, helping us adapt to who our employees are, how they work and just as important, how they need to live outside of their jobs.

MFS is approaching a big birthday — our 100th. Right now, the behaviors we adopt, the connections we build and the inclusive culture we maintain must prepare MFS to thrive in the next century. Leaving this firm in better shape than we found it should be the legacy we all leave to MFS.



DATA AS OF
DECEMBER
31, 2022

INTRO

CULTURE

TALENT

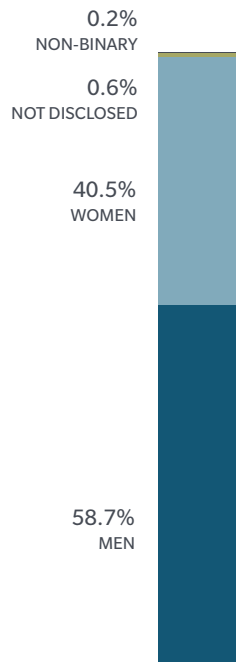
COMMUNITY

SNAPSHOT

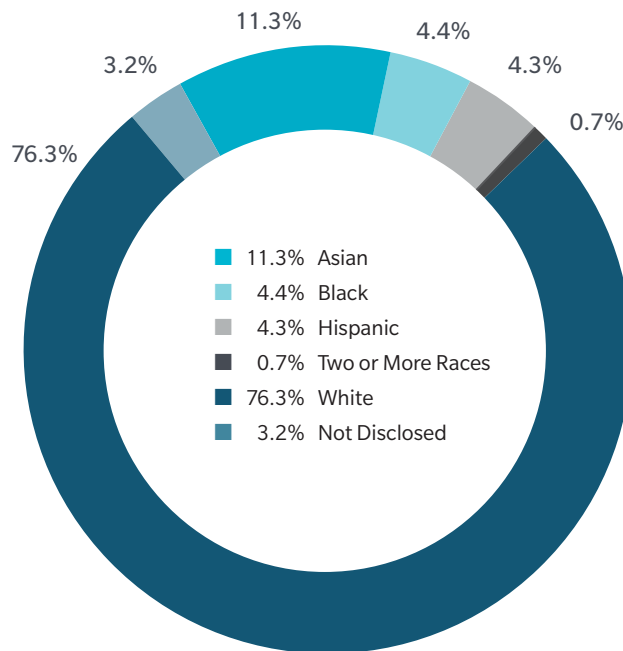
Global snapshot 2022

Increasing our focus on data will help us measure, monitor and make greater progress on building a diverse workforce.

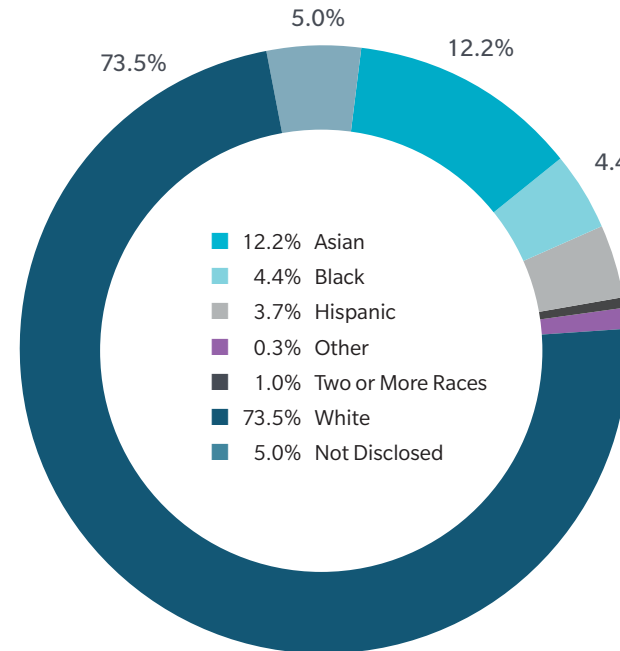
/ TOTAL FIRM -
GENDER /



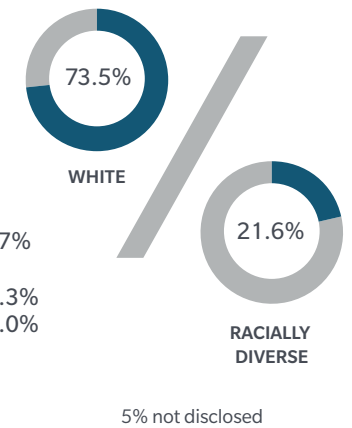
/ US -
RACE/ETHNICITY /



/ US, UK AND CANADA -
RACE/ETHNICITY /



/ TOTAL FIRM -
RACE/ETHNICITY
(US, UK AND CANADA) /



DATA AS OF
DECEMBER
31, 2022

INTRO

CULTURE

TALENT

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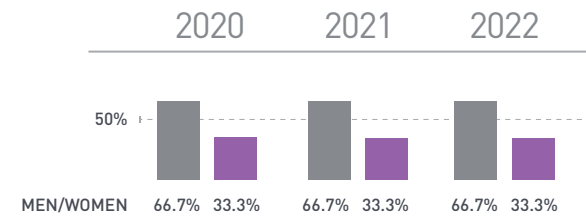
SNAPSHOT

Data driven 2022 DEI

Global – Gender

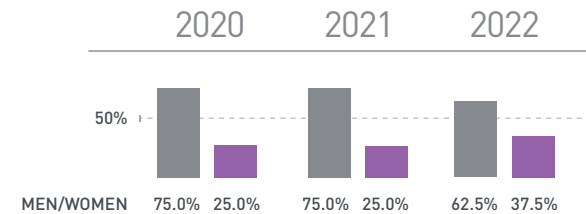
US – Race/Ethnicity

/ MFS BOARD OF DIRECTORS /



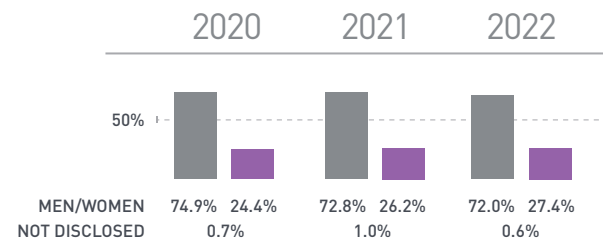
	2020	2021	2022
ASIAN	0.0%	16.7%	33.3%
WHITE	100.0%	83.3%	66.7%
RACIALLY DIVERSE	0.0%	16.7%	33.3%

/ MFS MANAGEMENT COMMITTEE /



	2020	2021	2022
ASIAN	12.5%	12.5%	12.5%
BLACK	0.0%	0.0%	12.5%
WHITE	87.5%	87.5%	75.0%
RACIALLY DIVERSE	12.5%	12.5%	25.0%

/ INVESTMENT PROFESSIONALS /



	2020	2021	2022
ASIAN	11.4%	13.6%	14.6%
BLACK	2.7%	2.6%	3.5%
HISPANIC	4.9%	4.2%	5.0%
TWO OR MORE RACES	1.1%	1.6%	1.0%
WHITE	73.9%	72.3%	69.8%
NOT DISCLOSED	6.0%	5.8%	6.0%
RACIALLY DIVERSE	20.1%	22.0%	24.1%



DATA AS OF
DECEMBER
31, 2022

INTRO

CULTURE

TALENT

COMMUNITY

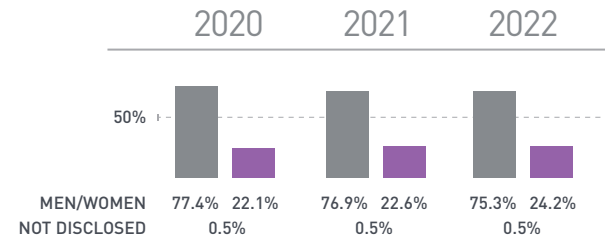
SNAPSHOT

Data driven 2022 DEI

Global – Gender

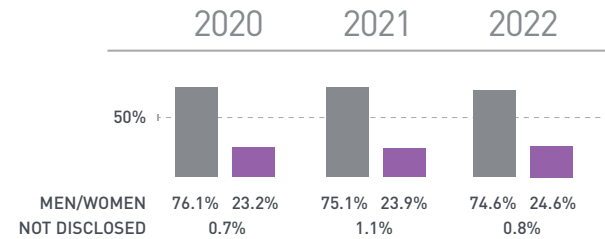
US – Race/Ethnicity

/ PORTFOLIO MANAGERS & RESEARCH ANALYSTS /



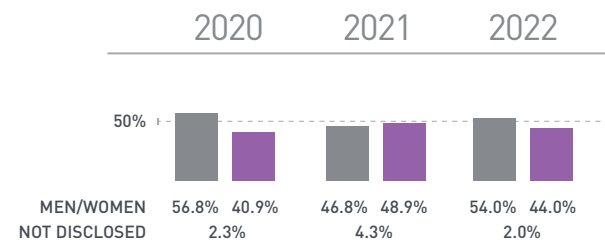
	2020	2021	2022
ASIAN	12.2%	13.8%	13.7%
BLACK	2.6%	2.6%	2.6%
HISPANIC	4.3%	4.3%	4.3%
WHITE	74.8%	73.3%	72.6%
NOT DISCLOSED	6.1%	6.0%	6.8%
RACIALLY DIVERSE	19.1%	20.7%	20.5%

/ EQUITY OWNERS /



	2020	2021	2022
ASIAN	6.5%	6.2%	7.5%
BLACK	1.2%	1.2%	1.3%
HISPANIC	2.7%	2.6%	2.9%
TWO OR MORE RACES	0.2%	0.2%	0.2%
WHITE	84.8%	84.8%	83.1%
NOT DISCLOSED	4.5%	5.0%	4.9%
RACIALLY DIVERSE	10.7%	10.2%	12.0%

/ RESEARCH ASSOCIATES /



	2020	2021	2022
ASIAN	14.3%	23.3%	28.6%
BLACK	7.1%	6.7%	8.6%
HISPANIC	14.3%	10.0%	14.3%
TWO OR MORE RACES	7.1%	10.0%	5.7%
WHITE	57.1%	50.0%	42.9%
RACIALLY DIVERSE	42.8%	50.0%	57.2%

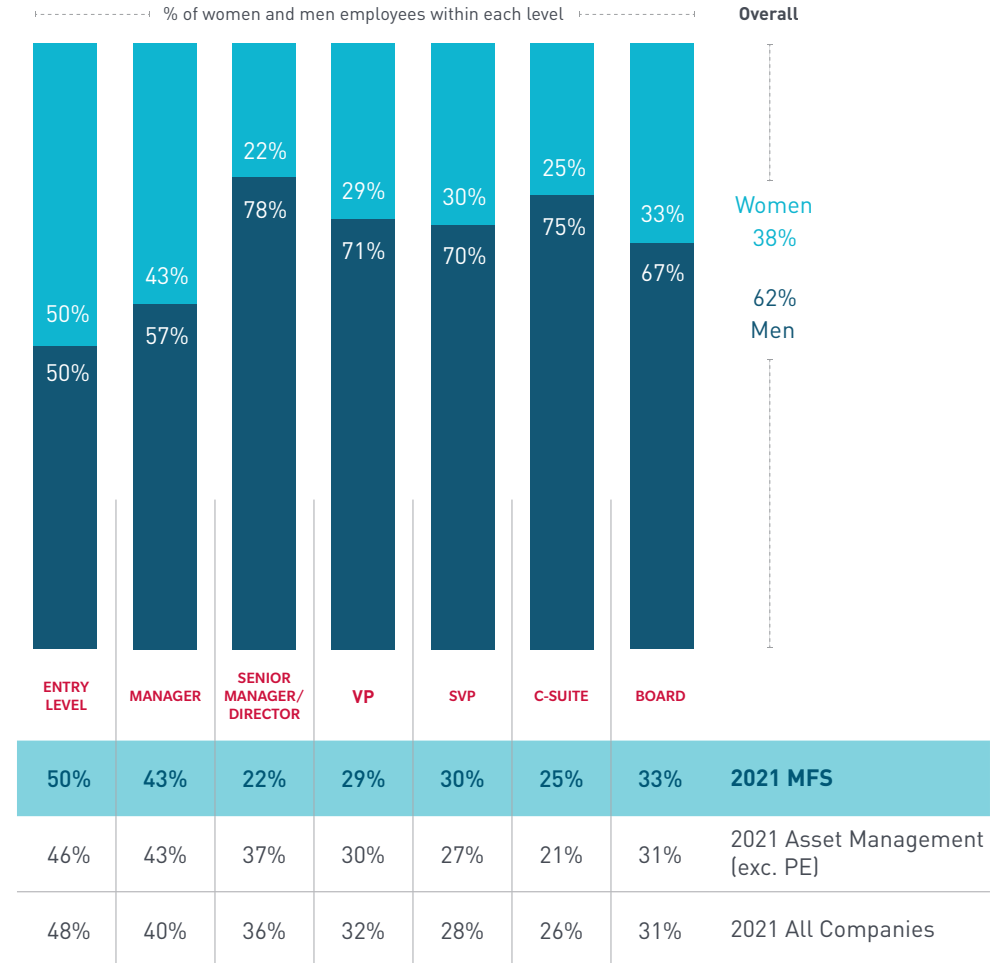


DATA AS OF
DECEMBER
31, 2021

Women in the Workplace

As part of our effort to support women and improve their representation in the workforce, MFS participates in McKinsey’s Women in the Workplace study, which tracks the progress of women in corporate America. The illustration to the right compares MFS’ 2021 gender breakdown by level (highlighted in blue) to the asset managers and all 333 companies that participated in the study. As the data show, MFS has better or equal gender representation than the other participating asset managers at all levels except for the senior manager/director and VP levels.

/ MFS’ REPRESENTATION BY GENDER (EOY 2021) /



As of end of year (EOY) 2021





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 investment 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.

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