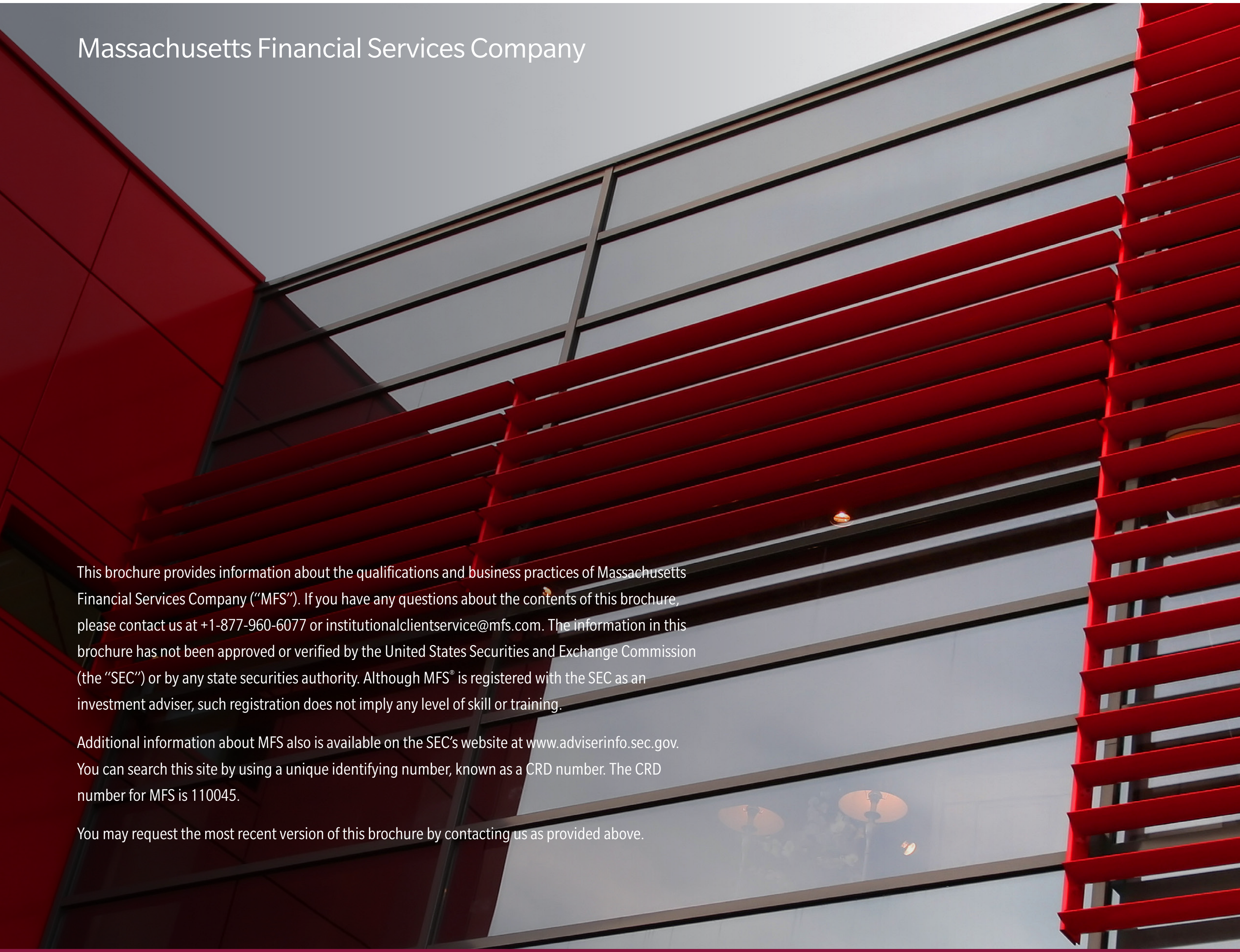
MFS® Investment Management



Massachusetts Financial Services Company

This brochure provides information about the qualifications and business practices of Massachusetts Financial Services Company ("MFS"). If you have any questions about the contents of this brochure, please contact us at +1-877-960-6077 or institutionalclientservice@mfs.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Although MFS® is registered with the SEC as an investment adviser, such registration does not imply any level of skill or training.

Additional information about MFS also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for MFS is 110045.

You may request the most recent version of this brochure by contacting us as provided above.

Firm Brochure

March 31, 2025

Massachusetts Financial Services Company, 111 Huntington Avenue, Boston, MA 02199 **www.mfs.com**

Item 2 – Material Changes

This Item 2 discusses only material changes made to this Form ADV, Part 2A ("Brochure") since MFS' prior annual updating amendment to the Brochure, which was filed on March 28, 2024. In addition to the material changes described below, this Brochure has also been updated for various non-material changes, such as providing clarification or additional information. Capitalized terms not defined below are defined in the Brochure.

Item 4 – Advisory Business

- Updated disclosure to reflect that MFS provides investment advisory services to the MFS ETFs.

Item 5 – Fees and Compensation

- Updated the range of MFS' asset-based fees in the fee schedules and included additional investment strategies as follows:

Type of Investment Strategy	Standard Investment Advisory Fee
Municipal Plus and U.S. Taxable Municipal	0.175% to 0.25% of average month end assets
Global Aggregate Core Plus	0.25% to 0.35% of average month end assets

Item 8—Methods of Analysis, Investment Strategies and Risk of Loss

- Enhanced the following disclosure concerning enterprise-wide risks:

  The following is a description of certain risks that apply to the MFS Global Group at an enterprise-wide level, and as a result impact all clients, regardless of their selected investment products or strategies. An account may experience losses as a result of the realization of such risks.

  The MFS Global Group uses technology, systems and data in its business operations, as well as in providing investment advisory services to client accounts. Technology and systems used by the MFS Global Group are sourced both internally from within the MFS Global Group and from the MFS Global Group's vendors. The MFS Global Group relies on such technologies and systems to operate effectively and as intended; however, as described in the risks below, such technologies and systems are complex and subject to disruption, including cyberattacks, and may not perform as expected or intended. Data used by the MFS Global Group is sourced both internally from within the MFS Global Group and from the MFS Global Group's vendors. The MFS Global Group relies on the accuracy of such data; however as described in the risks below, the data utilized by the MFS Global Group could be inaccurate, incomplete, inconsistent or out-of-date.

To mitigate such risks, as discussed in more detail below, the MFS Global Group has established information security plans, business continuity plans and risk management systems that it believes are reasonably designed to prevent or reduce the impact of such disruptions. The MFS Global Group has also adopted plans, policies, practices and controls it believes are reasonably designed to mitigate potential risks associated with its use of such technologies and seeks to employ reasonable controls with respect to technology and its technology environment. Additionally, the MFS Global Group seeks to implement reasonable internal data governance practices and use reliable third-party vendor data sources. Further, the MFS Global Group evaluates the selection and ongoing use of vendors, including technology providers, systems providers or data providers, against a variety of factors, including expertise and experience, quality of service, reputation, and price in accordance with its vendor management program, which the MFS Global Group believes provides reasonable oversight over its vendors.

Therefore, except as otherwise agreed with a client, MFS is not liable for losses caused by the realization of the risks below, so long as it and/or the MFS Global Group has been reasonable in (i) adopting and implementing such plans, policies, practices and controls and/or (ii) if the loss is partially or fully caused by a vendor(s), selecting and overseeing such MFS Global Group vendor(s). Additionally, vendors selected and utilized by clients and client accounts are subject to the same risks as those described below and an account may experience losses as a result of the realization of such risks. MFS may rely upon the actions of, or data provided by, such client selected vendors in the performance of MFS' investment advisory services for the client. MFS will not be responsible for any losses caused by its reliance on such actions of, or data provided by, such a client-selected vendor. MFS is incentivized to seek to contractually limit its liability in its agreements, including those governing its management of an account; however, when MFS does so, it seeks to limit such liability without detracting from any right a client may have under applicable law. Nothing in this paragraph is intended to detract from any right a client may have under applicable law.

A discussion on how losses caused by investment errors are handled by MFS is set forth below under the heading *"Identification and Resolution of Investment Errors*" in Item 11, *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

For a general description of the material investment risk factors for accounts managed by MFS, please see *Appendix A—Material Risk Factors*.

- Added the following disclosure concerning the MFS ETFs:

  ETFs for which MFS acts as the primary investment adviser (the "MFS ETFs") are required to disclose their portfolio holdings publicly on a daily basis and such information could be used by market participants for their own benefit, which could negatively impact an account's execution of purchase and sale transactions.

- Updated investment risks applicable to certain of MFS' investment strategies described in Appendix A of the Brochure.

Item 10—Other Financial Industry Activities and Affiliations

- Updated the following description of MFS Lux, a Participating Affiliate within the MFS Global Group:

  MFS Lux. MFS Lux, an indirect, wholly-owned subsidiary of MFS, is a société à responsabilité limitée organized under Luxembourg law and registered with the Luxembourg Commission de Surveillance du Secteur Financier. As a Participating Affiliate, MFS Lux provides distribution services and administrative services to certain clients for which MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- Updated the following description of MFS Fund Distributors, Inc.:

  MFS Fund Distributors, Inc. ("MFD")
  MFD, an SEC-registered broker and wholly-owned subsidiary of MFS, acts as distributor for the MFS Funds. In addition, MFD acts as placement agent for the collective investment trusts for which MFS Heritage Trust Company ("MHTC") serves as trustee, manager and administrator and for which MFS provides investment research and trading support (such collective investment trusts the "MHTC CITs"), as well as third-party collective investment trusts. MFD is also a registered municipal securities dealer for the limited purpose of distributing a 529 Plan. In addition, MFD facilitates subscriptions into the MFS Private Funds and provides distribution assistance to members of the MFS Global Group with respect to certain MFS Global Funds. MFD does not execute portfolio transactions in accounts. Certain registered representatives of MFD are also supervised persons of MFSI and promote the sale of investment strategies that are offered via a variety of investment vehicles such as the MFS Funds, the MFS Private Funds, the MHTC CITs, Managed Account Programs and institutional separate accounts. Clients and/or financial intermediaries select the investment strategy and the appropriate investment vehicle. The structure and amount of selling compensation paid by MFD and MFSI varies depending on the investment strategy and distribution channel selected. When compensation to be paid is higher for one investment strategy or distribution channel over another, a conflict of interest will exist because MFD's sales force is incentivized to sell such higher paying investment strategy or sell through such higher paying distribution channel than what might otherwise be in the best interest of an investor. MFS believes this potential conflict is largely mitigated by the fact that MFS investment strategies are offered primarily to or through sophisticated institutional investors and financial intermediaries capable of selecting which investment strategy and distribution channel is best for them and their underlying clients. The following management persons of MFS are also registered representatives of MFD: Carol W. Geremia (Director and President of MFS), John M. Corcoran (Executive Vice President and Chief Financial Officer of MFS) and Sean M. Kenney (Executive Vice President and Co-Head of Distribution). The agreements under which MFD serves as distributor to the MFS Funds are subject to annual approval by the independent trustees of the MFS Funds.

Item 11— Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

- Added the following disclosure under the heading captioned "MFS Investment Management Code of Ethics/Personal Investing Policy":

  Certain employees that invest in one or more MFS Global Funds may from time to time have access to information that is not available to other investors in such funds. The MFS Global Group has adopted policies and procedures it believes are reasonably designed to identify and disclose material information where necessary and in a fair and equitable manner, and to manage any related conflicts that arise, including placing restrictions on employee trading in applicable MFS Global Funds where appropriate.

Item 12—Brokerage Practices

- Enhanced the following disclosure concerning MFS' selection of counterparties:

  MFS has an incentive to direct trades to counterparties for various reasons, including its business relationships with such counterparties. For example, some counterparties or their affiliates distribute shares of the MFS Global Funds, or act as an authorized participant or market maker for the MFS ETFs; MFS invests account assets in securities issued by counterparties or their affiliates; a counterparty could be a client of MFS; a counterparty could serve as prime broker to an MFS Global Fund; a counterparty could provide financing or leverage for an MFS Global Fund; or certain affiliates of counterparties provide banking services to members of the MFS Global Group. However, MFS has policies and procedures it believes to be reasonably designed to mitigate such conflicts. MFS may employ outside vendors to provide reports on the quality of counterparty executions.

About this Brochure

This Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell interests (or a solicitation of an offer to purchase interests) in any vehicle*
- *a complete discussion of the features, risks or conflicts associated with any account or vehicle*

As required by the Investment Advisers Act of 1940, as amended ("Advisers Act"), MFS will provide this Brochure to current and prospective clients of MFS or clients of the other members of the MFS Global Group (as defined in Item 4, Advisory Business) for which MFS acts as a sub-adviser. MFS also, in its discretion, may provide this Brochure to current or prospective investors in a pooled investment vehicle that MFS advises or sub-advises, together with other relevant governing or disclosure documents, such as the pooled investment vehicle's offering or private placement memorandum, prior to, or in connection with, such persons' investment in the pooled investment vehicle. Additionally, this Brochure is available through the Investment Adviser Public Disclosure website of the Securities and Exchange Commission ("SEC").

Although this publicly-available Brochure describes investment advisory services and products of MFS, persons who receive this Brochure (whether or not from MFS) should be aware that it is designed solely to provide information about MFS as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in other relevant documents. More complete information about each separately managed account and pooled investment vehicle is included in the relevant separately managed account or pooled investment vehicle documents, certain of which will be provided to current and eligible prospective investors only by MFS or a party authorized by MFS. To the extent that there is any conflict between discussions herein and similar or related discussions in such documents, the relevant separately managed account or pooled investment vehicle governing or disclosure documents shall govern and control.

This Brochure discloses material conflicts of interest of MFS, its personnel and affiliates. Some such conflicts are inherent in any global investment advisory firm, such as MFS, whereas others are the result of MFS' business model and the products and services offered by MFS.

This is not an offer to sell securities of any type. No offer or solicitation for a separately managed account or pooled investment vehicle by us will be made before the delivery of the applicable documents to a potential investor. You should read such documents carefully and consult with tax, legal and financial advisors before making any investment decision. You should also be aware that the provision of this Brochure to you does not create an adviser-client relationship between you and MFS.

Item 3 –Table of Contents

Item 4 – Advisory Business

Massachusetts Financial Services Company, d/b/a MFS Investment Management ("MFS"), is an investment adviser registered with the SEC. MFS is also the parent company of other companies that manage investments. In this Brochure, we refer to MFS and these other direct and indirect subsidiaries, which function collaboratively as a global business, collectively as the "MFS Global Group." MFS and its predecessor organizations have a history of money management dating from 1924 and the founding of the first U.S. mutual fund. MFS is an indirect, majority-owned subsidiary of Sun Life Financial Inc. ("SLF"), a diversified financial services company. As of December 31, 2024, MFS managed $445,921,627,316 in discretionary client assets and $27,104,324,676 in non-discretionary client assets, which includes assets managed for clients of other members of the MFS Global Group. The MFS Global Group managed $584,871,185,313 as of December 31, 2024. Assets of non-discretionary model-delivery programs are not included in these assets under management.

All discussions of MFS' practices in this Brochure are qualified in their entirety with respect to each account by the applicable investment advisory agreement or offering and organizational materials (such offering and organizational materials are collectively referred to as the "Offering Documents") governing such account. This includes, without limitation, all practices pertaining to an account's investments, strategies used in managing the account, investment risks, fees and other costs associated with an investment in the account, and any rights a client may have by virtue of applicable law, investment advisory agreement or Offering Documents.

MFS provides investment advisory and sub-advisory services to a range of institutional clients and pooled investment vehicles. MFS' institutional clients include pension and profit-sharing plans, charitable organizations, insurance companies, corporations, sovereign wealth funds and state and municipal government entities. In addition, MFS provides investment advisory services to a variety of pooled investment vehicles, including: (i) a family of investment companies, including exchange-traded funds ("ETF"s), for which MFS acts as the primary investment adviser, registered under the Investment Company Act of 1940, as amended (the "1940 Act") (the "MFS Funds"); (ii) certain funds that are not registered as investment companies under the 1940 Act pursuant to the exemption contained in Section 3(c)(7) of the 1940 Act (the "MFS Private Funds"); and (iii) certain Undertakings for the Collective Investment in Transferable Securities (also known as UCITS funds) (the "MFS UCITS Funds"). MFS also sub-advises investment companies registered under the 1940 Act for other registered investment advisers. Finally, MFS provides portfolio management, research and/or trading services for non-U.S. accounts for which a member of the MFS Global Group acts as investment adviser or investment manager.

The terms "account" or "client" are used herein to refer to all of MFS' clients, including all separate accounts and pooled investment vehicles; the terms "Institutional Account" or "Institutional Client" are used herein to refer to all of MFS' clients (or such clients' accounts) other than the MFS Global Funds (as defined in Item 5). Please understand that some accounts may be comprised of multiple sleeves managed in separate investment strategies or asset classes, and the term "account" may refer to the overall account or a sleeve as the context warrants. For information on the types of investment strategies MFS manages, please see Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*.

In some cases, clients access MFS' investment advisory services via an outsourced chief investment officer arrangement (also referred to as a discretionary consulting service) ("OCIO provider"). Depending on the specific features of the OCIO arrangement, the OCIO provider may be the decisionmaker as to whether to engage or terminate MFS as investment adviser to the client and for which investment strategy or investment vehicle. In OCIO arrangements, MFS' client servicing is typically primarily provided to or through the OCIO provider rather than directly to the client.

Some accounts are subject to client-imposed restrictions on investing in certain securities or derivatives, or types of securities or derivatives or other financial instruments. For more information on how imposing such restrictions might affect the management of your account, please see Item 16, *Investment Discretion*.

MFS provides non-discretionary advice to certain state authorities responsible for overseeing the state's qualified tuition program under Section 529 of the Internal Revenue Code (a "529 Plan"). This non-discretionary advice includes recommendations about asset allocation models and static investment options for 529 Plan investors. As agreed to with each state authority, MFS currently only uses MFS Funds in those recommendations. MFS is not compensated for providing this advice; however, it earns revenue from the investments in the MFS Funds that result from the advice. MFS is incentivized to recommend MFS Funds that charge higher advisory fees, because MFS will receive higher revenues from investments in those MFS Funds. These conflicts are mitigated by the participation of an independent fiduciary for the 529 Plan, such as an investment consultant or third-party investment adviser.

On a non-discretionary basis, MFS' subsidiary, MFS Institutional Advisors, Inc. ("MFSI"), reviews and provides asset allocation and portfolio structure guidance to certain Institutional Clients, including pension plans, sovereign wealth funds, endowments and foundations. MFSI may also provide similar asset allocation guidance to financial intermediaries for use with the financial intermediary's own clients or clients it has in common with MFS. To the extent MFSI's asset allocation guidance could be implemented using investment products or advisory services provided by MFS, and the recipient of the guidance invests in such investment products or advisory services, MFS would earn additional revenues because MFS receives revenue from its investment products and advisory services. Therefore, MFSI has an incentive to provide asset allocation guidance that could result in the inclusion of MFS investment products or advisory services. The fees charged by MFS for these investment products or advisory services may be higher than fees charged by third parties. The Institutional Client or financial intermediary has the ultimate discretion whether to use MFS investment products or advisory services.

Item 5 – Fees and Compensation

As described above, MFS provides investment advisory and sub-advisory services to a variety of separate account clients and pooled investment vehicles. The following provides information related to the fees and compensation MFS receives for its services.

Fees for Clients Directly Contracted with MFS, Including Institutional Accounts

MFS provides portfolio management, research and/or trading services to certain members of the MFS Global Group in connection with such members' separate and sub-advised account and pooled vehicle clients. A discussion of the fees and expenses applicable to clients receiving services from MFS in this manner is set forth below under the heading "*Fees and Expenses for Services Provided to Members of the MFS Global Group*."

The following discussion is applicable to Institutional Clients that have an investment advisory agreement with MFS.

MFS' investment advisory fees are usually based upon a percentage of assets under management ("asset-based fees") and are negotiable. For asset-based fees, the percentage typically depends on the type of investment strategy. MFS reserves the right, in its sole discretion, to negotiate and charge different types or rates of advisory fees for different accounts. In addition to the investment strategy, advisory fees may vary due to, among other things, the inception date of an account, the initial or potential size of the account, the entirety of the Institutional Client's and its affiliates' (if any) relationship with the members of the MFS Global Group, the manner in which an Institutional Client accesses services from MFS (*e.g.*, through a consultant, OCIO provider or other financial intermediary), and the Institutional Client's domicile. MFS or a member of the MFS Global Group may manage a group of related accounts for an Institutional Client, related Institutional Clients or Institutional Clients that access its services through the same consultant or OCIO provider and may agree to aggregate assets in all related client accounts for purposes of attaining fee breakpoints under any applicable fee schedule. MFS also offers services to its affiliates on terms that are not available to others. Accordingly, as agreed with an Institutional Client, MFS charges certain clients a lower fee than the standard fees set forth below. As negotiated with an Institutional Client, MFS might temporarily waive or temporarily or permanently reduce the advisory fee charged to such client, and such reduction or waiver may not be offered to other clients or may be offered under different terms.

MFS' asset-based fees may range as shown in the table below.

Type of Investment Strategy	**Standard Investment Advisory Fee**
U.S. Credit Buy and Maintain	0.08% to 0.14% of average month end assets
Municipal Plus and U.S. Taxable Municipal	0.175% to 0.25% of average month end assets

Blended Research Large Cap Growth Equity and Blended Research U.S. Core Equity	0.20% to 0.30% of average month end assets
U.S. Core Plus Fixed Income	0.20% to 0.30% of average month end assets
Global Aggregate Core Plus	0.25% to 0.35% of average month end assets
Blended Research International Equity	0.30% to 0.40%of average month end assets
Low Volatility Global Equity	0.30% to 0.40% of average month end assets
Emerging Markets Debt	0.375% to 0.45% of average month end assets
Domestic Balanced	0.375% to 0.50% of average month end assets
Blended Research Global High Dividend Equity	0.40% to 0.50% of average month end assets
Core Equity, Growth Equity, Large Cap Growth Equity, Large Cap Value Equity, Research Equity Industry Neutral, and U.S. Intrinsic Value	0.40% to 0.55% of average month end assets
U.K. Equity	0.40% to 0.55% of average month end assets
European Equity ex U.K.	0.45% to 0.55% of average month end assets
Large Cap Growth Concentrated	0.45% to 0.60% of average month end assets
Contrarian Value Equity	0.50% to 0.65% of average month end assets
Global Growth Equity and Global Real Estate Equity	0.50% to 0.65% of average month end assets
International Research Equity	0.50% to 0.65% of average month end assets
Mid Cap Growth Equity and Mid Cap Value Equity	0.50% to 0.65% of average month end assets
Technology Equity, U.S. Real Estate, and Utilities Equity	0.50% to 0.65% of average month end assets
European Research Equity	0.50% to 0.70% of average month end assets
Global Equity and Global Value Equity	0.50% to 0.75% of average month end assets

International Equity, International Growth Equity, and International Intrinsic Value Equity	0.50% to 0.75% of average month end assets
Mid Cap Growth Focused Equity	0.55% to 0.70% of average month end assets
Global Concentrated Equity	0.55% to 0.80%of average month end assets
International Concentrated Equity and International Growth Concentrated Equity	0.55% to 0.80% of average month end assets
Small Cap Growth Equity and Small Cap Value Equity	0.60% to 0.75% of average month end assets
Emerging Markets Equity	0.70% to 0.80% of average month end assets
International Small-Mid Cap Equity	0.75% to 0.95%of average month end assets

Fees are billed according to an Institutional Client's investment advisory agreement, which will provide for the frequency of the billing period and for fees to be billed in arrears. Fees are based on the value of Institutional Account assets, including amounts held in residual cash and amounts held in cash sweep vehicles, as calculated by MFS, the Institutional Client's custodian or the Institutional Client, as agreed to in the investment advisory agreement. From time to time, clients may leave in their Institutional Account certain securities or other property over which MFS has not been given discretionary authority ("Unsupervised Assets"). Unsupervised Assets may be included by MFS in calculating its advisory fee; please consult with MFS concerning the payment of any such fees. Although MFS prepares an invoice for most Institutional Clients, some Institutional Clients elect to self-bill, meaning they calculate the fees owed to MFS and remit payment. In the event MFS' services are terminated, its management fees are pro-rated to the extent that its services have been provided for less than the full billing period.

Account assets invested in registered investment companies (including ETFs) or other pooled investment vehicles for which a member of the MFS Global Group does not act as the primary investment adviser are included in determining the value of the account for purposes of calculating fees and performance returns. In these cases, unless otherwise agreed, in addition to paying MFS' investment advisory fee, an Institutional Account will also pay its pro rata share of such pooled investment vehicle's fees and expenses, in effect, paying two sets of advisory fees for these investments—one to MFS and another to the managers of each investment vehicle. Although not MFS' general practice, MFS may purchase on behalf of an Institutional Account shares of any of the MFS Funds, the MFS UCITS Funds or other pooled investment vehicles managed by a member of the MFS Global Group for various investment-related reasons. Please note that the MFS Funds, MFS UCITS Funds, MFS Private Funds, and other pooled investment vehicles managed by members of the MFS Global Group are collectively referred to in the brochure as the "MFS Global Funds." If MFS invests an Institutional Account's assets in shares of an MFS Global Fund, account assets invested in such MFS Global Fund are included in determining the value of the account for purposes of calculating fees and performance returns. In these cases, an Institutional Account will receive a credit equal to its pro rata share of such MFS Global Fund's investment advisory fee (see below for a discussion concerning other expenses indirectly incurred by an Institutional Account invested in an MFS Global Fund). MFS has an incentive to purchase shares of an MFS Global Fund for Institutional Accounts for purposes of creating the appearance of increased assets under management in such MFS Global Fund.

Expenses for Accounts Directly Contracted with MFS, Including Institutional Accounts

Institutional Accounts typically bear certain expenses separate from and in addition to investment advisory fees, including, as applicable, custodial fees; trading and transaction costs (please see Item 12, *Brokerage Practices,* for more information); taxes; out-of-pocket costs for Employee Retirement Income Security Act of 1974, as amended ("ERISA")-mandated fidelity bonds; fees for plan administrator/trustee-directed special projects or reports; fees for preparing financial statements and audit services; fees for preparing tax-related schedules and documents; or investor relations. MFS receives no payment or remuneration from Institutional Clients with respect to such other expenses. No portion of such charges, fees or commissions shall be applied as an offset to reduce the amount of advisory fees owed by an Institutional Account to MFS.

Institutional Account assets invested in any of the MFS Global Funds or any registered investment companies (including ETFs) or other pooled investment vehicles for which a member of the MFS Global Group does not act as the primary investment adviser are subject to additional fees and expenses. The fees and expenses may include, without limitation, trading fees and transaction costs, transfer agency fees and custodial expenses, and are set forth in the Offering Documents of those pooled investment vehicles. These additional fees are paid initially by the pooled investment vehicle, but ultimately borne by investors, including Institutional Clients. MFS does not reimburse the Institutional Account for these expenses even if the account assets are invested in an MFS Global Fund.

MFS Funds Fees and Expenses

MFS serves as investment adviser to the MFS Funds and earns advisory fees in connection with those services. The Offering Documents of each MFS Fund set forth the applicable advisory fees and other fees and expenses borne by each MFS Fund, as well as additional information regarding the calculation and payment of such fees. Please refer to the applicable Offering Documents for further information regarding fees and expenses borne by an MFS Fund.

Fees and Expenses for Services Provided to Members of the MFS Global Group

MFS provides portfolio management, research and/or trading services to other members of the MFS Global Group to utilize in connection with accounts for which the MFS Global Group member acts as the primary investment adviser, investment manager or managing member, with such accounts including the MFS Private Funds and MFS UCITS Funds. In managing such accounts, other members of the MFS Global Group determine the advisory fees they charge for such services based on similar factors as those considered by MFS when determining its advisory fees. These accounts include pooled investment vehicles, sub-advised pooled investment vehicles and separate accounts. In these cases, MFS does not charge the account directly for its services; rather MFS is compensated by the other member of the MFS Global Group through an internal transfer pricing agreement. Therefore, clients not contracted directly with MFS should refer to their investment advisory agreement or applicable Offering Documents for a more detailed description of the applicable fees and expenses charged to or borne by their accounts.

<u>Conflicts of Interest Arising from Pricing Account Assets: Separate Accounts, Sub-advised Accounts and Pooled Funds</u>

For the MFS Global Funds that MFS advises or sub-advises, the MFS Global Group prices securities or other assets for many purposes, including determining fees and performance reporting. For other pooled investment vehicles that MFS sub-advises and for which a member of the MFS Global Group does not act as primary investment adviser, MFS may be asked to provide valuation assistance to the primary investment adviser for certain securities or other assets held by the pooled investment vehicle. Additionally, for separate accounts, the MFS Global Group prices securities or other assets held by the separate account, if agreed to in the investment advisory agreement. In cases where the MFS Global Group prices account holdings or provides valuation assistance, the MFS Global Group is incentivized to overvalue such account holdings in order to generate a higher fee. When pricing or providing valuation assistance for an account holding, the MFS Global Group endeavors to reasonably estimate its value in accordance with applicable laws (including ERISA and Rule 2a-5 under the 1940 Act) and the MFS Global Group's valuation policies and procedures, which it believes are reasonably designed to mitigate this conflict.

The MFS Global Group generally relies on market quotations or third-party pricing services for valuation purposes or, if necessary, other asset valuations provided by a broker, dealer or broker-dealer (each a "broker"). A security or other asset will be valued by the MFS Global Group in accordance with the MFS Global Group's fair valuation procedures described in the next paragraph: (i) when market quotations are not readily available or are believed by the MFS Global Group to be unreliable, or (ii) in circumstances where the MFS Global Group typically relies on valuations provided by approved third-party pricing services, if (a) the third-party pricing services fails to provide a valuation, or (b) the MFS Global Group believes such valuation is not representative of fair value.

As described above, when market quotations or other asset valuations are not readily available or are believed by the MFS Global Group to be unreliable, account investments may be fair valued ("Fair Value Assets"). Fair Value Assets are valued by the MFS Global Group in accordance with the MFS Global Group's fair valuation procedures. The MFS Global Group may conclude that a market quotation is not readily available or is unreliable: (i) if a security is thinly-traded or trades infrequently (*e.g.*, certain municipal securities and non-U.S. securities may be examples of thinly-traded securities); (ii) if the MFS Global Group believes a market quotation from a broker or other source is unreliable (*e.g.*, where it varies significantly from a recent trade); (iii) where recent asset sales represent distressed sale prices not reflective of the price that a client might reasonably expect to receive from the current sale of that asset in an arm's-length transaction; (iv) for debt instruments, bank loans and certain types of derivatives whose valuations are provided by a pricing agent unless the pricing agent specifically identifies the valuation as a market quotation; (v) where there is a significant event subsequent to the most recent market quotation; or (vi) otherwise where it does not meet the criteria for a readily available market quotation under Rule 2a-5 of the 1940 Act and applicable guidance. The MFS Global Group's good faith judgment as to whether an event would constitute a "significant event" likely to cause a material change in an asset's market price may, in hindsight, prove to be incorrect, and the fair value determination made by the MFS Global Group may be incorrect as to the direction and magnitude of any price adjustment when compared to the next available market price. Additionally, pricing agents generally value debt instruments assuming orderly transactions of institutional round lot sizes, but an account may hold or transact in such securities in smaller, odd lot sizes. In instances where an account holds an odd lot size position in a debt instrument, the MFS Global Group will typically value such position using the pricing agent's institutional round lot price for such debt instrument. Odd lots may trade at lower prices than institutional round lots, and an account may receive different prices when it sells odd lot positions than it would receive for sales of institutional round lot positions.

With respect to accounts that invest in privately placed pooled investment vehicles managed by third parties and/or investments sponsored by third-party managers, the MFS Global Group generally relies on pricing information provided by the private fund or its manager or a vendor. While the MFS Global Group expects that such persons will provide appropriate estimates of fair value, such persons may face conflicts similar to those described above and certain investments may be complex or difficult to value.

Item 6 – Performance-Based Fees and Side by Side Management

MFS and other members of the MFS Global Group negotiate and charge different types (including performance-based and asset-based) or rates of advisory fees for different accounts. However, MFS currently only charges asset-based fees. The Advisers Act prohibits MFS from entering into an investment advisory agreement with a performance-based fee arrangement unless the client is deemed a "qualified client" under the Advisers Act. Members of the MFS Global Group have an incentive to favor accounts paying performance-based fees over accounts paying only asset-based fees because performance-based fees can generate greater management fees for a member to the extent performance meets or exceeds the thresholds specified in the arrangement. Performance-based fees also present an incentive for a member of the MFS Global Group to take additional risk with regard to an account's investments in hopes of generating higher performance fees.

The differing nature of performance-based fee arrangements (*e.g.*, benchmarks, hurdles and negative or positive carryforwards) can also present similar conflicts of interest among accounts that are charged performance-based fees. With respect to accounts subject to a benchmark, hurdle rate or negative or positive carryforward provision, the MFS Global Group member may have an incentive to favor accounts that are generally above their respective benchmarks, hurdle rates or with a positive carryforward (and therefore required to pay performance-based fees) over those accounts that are generally below their respective benchmarks, hurdle rates or with a negative carryforward (and therefore are not required to pay performance-based fees until such accounts next exceed the applicable benchmark, hurdle rate or make up the negative carryforward). The MFS Global Group member may also have an incentive to favor accounts that are below their respective benchmarks, hurdle rates or with a negative carryforward in order to increase such account's performance to a level where the account is required to pay performance-based fees.

These conflicts are most apparent where two accounts follow the same, or a similar, investment strategy but have differing compensation arrangements. The MFS Global Group's allocation policies and procedures (see Item 12, *Brokerage Practices,* below for more information) are reasonably designed to address these potential conflicts of interest. The MFS Global Group believes these policies, which apply equally to all accounts regardless of fee type or rate, are reasonably designed to ensure allocation of investment opportunities and executed trades in a manner MFS believes is fair and equitable over time.

Item 7 – Types of Clients

MFS provides investment advisory and sub-advisory services to a range of Institutional Clients and pooled investment vehicles. MFS' Institutional Clients include pension and profit-sharing plans, charitable organizations, insurance companies, corporations, sovereign wealth funds and state and municipal government entities. In some cases, Institutional Clients access MFS' investment advisory services via an OCIO provider. In addition, MFS provides investment advisory services to the MFS Funds, the MFS Private Funds, and MFS UCITS Funds, sub-advisory services to other registered investment companies, and sub-advisory or other services to certain other MFS Global Funds. MFS generally requires a minimum account size, which varies by product type. MFS' standard minimum account size for establishing a separate account is typically $50 million of assets. MFS may accept an account below such minimum in its discretion when, for example, it seeks to promote a new investment strategy or an Institutional Client with multiple accounts above the required minimum is allowed to open another account below the minimum size.

MFS provides investment advisory services to the MFS Private Funds. Investment in such funds is generally restricted to persons who are both "accredited investors" as defined in Regulation D under the Securities Act of 1933, as amended, and "qualified purchasers" as defined by Section 2(a)(51) of the 1940 Act, and rules promulgated thereunder.

MFS, in its sole discretion, reserves the right to decline any account or to close any account that falls below the relevant minimum account size or for any other reason. Direct client relationships with MFS are governed by investment advisory agreements that set forth the terms under which MFS will provide its services. Clients not contracted directly with MFS should refer to their applicable agreement or Offering Documents for the terms governing their applicable accounts.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

MFS employs a variety of methods to evaluate securities, including fundamental analysis and quantitative analysis. Fundamental analysis focuses on individual issuers and their potential in light of their financial condition, and market, economic, political, and regulatory conditions. Factors considered may include analysis of an issuer's earnings, cash flows, balance sheet, valuation, competitive position, and management ability. MFS may consider environmental, social and governance ("ESG") factors in its fundamental investment analysis where MFS believes such factors could materially impact the economic value of an issuer, as described more fully below. Quantitative analysis focuses on quantitative models that systematically evaluate an issuer's valuation, price and earnings momentum, earnings quality and other factors.

MFS may, from time to time, utilize advice or research provided by the Participating Affiliates as defined and further described in Item 10, *Other Financial Industry Activities and Affiliations*.

Generally, one or more portfolio managers or research analysts are responsible for the day-to-day management of the accounts following a particular investment strategy with the goal of providing clients with long-term value through a collaborative investment process. In emergency circumstances, such as due to an illness, another portfolio manager or a chief investment officer may be authorized to make investment decisions on behalf of those accounts.

MFS utilizes various investment techniques to implement its investment strategies, including, but not limited to, long- and short-term purchases, short sales, margin transactions, futures, forwards, swaps, options, and other exchange-traded and over-the-counter ("OTC") derivatives or other methods to seek to achieve performance. While MFS may use derivatives for any investment purpose, MFS uses derivatives primarily to reduce risk or to take advantage of a market opportunity that does not exist, or that is too costly to implement, in the underlying cash or securities. MFS will enter into only those derivative transactions that are permitted for a particular account. For more information about client-imposed limitations on approved brokers selection, see "*Client-Imposed Limits on Broker Selection*" in Item 12, *Brokerage Practices*.

All investments carry a risk of loss, which will not always be commensurate with the return or return potential for the investment. Investments in the accounts to which MFS provides advisory services are not insured or guaranteed and carry the risk of loss, which clients must be prepared to bear.

Investment strategies may be limited to certain types of securities (*e.g.*, equities), sectors or industries, geographic regions, etc., and may not be diversified.

There may be times when MFS decides not to engage in certain transactions or activities for an account because doing so in compliance with applicable law would result in significant cost to, or administrative burden on, MFS or create the potential risk of an error.

Investors and clients should understand that they could lose some or all of their investment (and, where derivatives or leverage is employed, losses can exceed the value of the account) and should be prepared to bear the risk of such potential losses. The accounts managed, and models provided, by MFS are not intended to provide a complete investment program and MFS expects that assets invested in an account it manages, or in accordance with a model it provides, do not represent all of an investor's assets.

Investors are responsible for appropriately diversifying their assets to guard against the risk of loss. MFS is not responsible for monitoring the appropriateness of short-term investments in situations where the client or its custodian is responsible for managing cash for the account, including residual cash that MFS would otherwise have the authority to manage, but that is instead invested in a custodian's cash sweep vehicle. Where MFS does invest the short-term cash for an account, it will do so without considering the net yield the account might be able to receive were such short-term cash managed by the account's custodian as compared to the net yield received by MFS, including the fees and expenses (including, for example, ticket charges) the account might incur whether MFS or the custodian manages cash. An account may get a different rate of return if MFS, instead of the account's custodian, manages an account's short-term cash. MFS does not invest the short-term cash of any accounts with an operating currency other than U.S. or Canadian dollars. For information on how MFS treats cash for fee calculation purposes, please see Item 5, F*ees and Compensation*, above.

With respect to any particular investment strategy or vehicle, MFS evaluates what it views as the optimal target size of such strategy or vehicle based on its long-term view of what is in the best interest for existing clients or investors; however, MFS is incentivized to make capacity management decisions that differ from those targets in order to increase assets or to maintain relationships with certain distributors or investors.

MFS' analysis of a particular investment could prove incorrect. Further, markets can prove volatile in response to issuer- or industry-specific circumstances, as well as broader economic, political, regulatory, geopolitical, environmental and public health conditions. Some of these conditions may prevent MFS from executing a particular investment strategy successfully.

It is not always possible to access certain markets or to sell certain investments at a particular time or at an acceptable price, thereby impacting the liquidity of a given account. Leverage and most types of derivatives create exposure in an amount exceeding the initial investment, which can increase volatility by magnifying gains or losses. The value of an account will change daily based on changes in market, economic, industry, political, regulatory, geopolitical, environmental, public health and other considerations. An account will not always achieve its objective and/or could decrease in value.

MFS may consider ESG factors in its fundamental investment analysis and security selection process alongside more traditional economic factors where MFS believes such ESG factors could materially impact the economic value of an issuer. MFS believes that certain ESG factors could materially impact the value of an issuer by representing a source of economic opportunity that contributes to an issuer's growth and outperformance relative to its peer group or a source of risk that may result in a condition or the occurrence of an event that could have a material negative impact on an issuer's value. MFS's consideration of the impact of ESG factors on the value of an issuer often involves a long-term investment horizon, and the impact of such ESG factors may not be realized in the short term. Examples of potentially material ESG risks and opportunities may include, but are not limited to, physical and transitional impacts related to climate change, resource depletion, shifting market or consumer preferences or demand, a company's governance structure and practices, data protection and privacy issues, diversity and labor practices, and regulatory and reputational risks.

In conducting analysis of ESG factors, MFS' investment professionals may use a variety of tools, including, but not limited to, (i) proprietary issuer and industry research, (ii) internally-developed analytical tools designed to evaluate issuer performance and risk exposure, and (iii) third-party generated issuer and industry research and ratings. MFS investment and proxy voting professionals may also incorporate ESG factors when engaging with an issuer's management team, board of directors or other representatives in order (i) to better understand the risks and opportunities that a particular ESG issue may present for a company, (ii) to communicate MFS' views with respect to a financially-material ESG issue or (iii) to inform proxy voting decisions. Such engagement activities will not necessarily result in any changes to an issuer's ESG-related practices.

The extent to which an investment professional considers ESG factors in conducting fundamental investment analysis and the extent to which ESG factors impact an account's return will depend on a number of variables, such as an account's investment strategy, the types of asset classes held in an account, an account's regional and geographic exposures, any investment restrictions imposed on MFS' management of the account, and an investment professional's assessment and analysis of a specific ESG issue. Each investment professional makes their own decisions with respect to which ESG factors to consider and how much consideration, if any, to give to ESG factors in the security analysis and investment selection process. The extent to which MFS' integration of ESG factors into its investment process impacts the investment performance of an account may be difficult to quantify and can vary significantly over time. In addition, ESG-related information generated by third-party data providers may be inaccurate, incomplete, inconsistent and/or out-of-date, which may adversely impact an investment professional's analysis of the ESG factors relevant to an issuer. MFS is incentivized to characterize the significance of ESG factors in its fundamental investment analysis in a manner that aligns with a current or prospective client's views or expectations on ESG (*e.g.*, to overstate or downplay the significance of such ESG factors depending on the current or prospective client); however, MFS has policies and procedures in place that it believes are reasonably designed to mitigate such conflicts.

MFS, or MFS on behalf of other members of the MFS Global Group, may participate in organizations, initiatives and other collaborative industry efforts to enhance the MFS Global Group's knowledge of specific ESG issues or to support ESG-related initiatives that MFS believes may have a material impact on its investment decisions.

MFS may also engage regarding financially material ESG topics with other organizations, such as the Financial Accounting Standards Board, the International Accounting Standards Board, and the Global Reporting Initiative. The requirements for participation in these organizations and initiatives may vary, and certain organizations, initiatives, and efforts require a commitment from MFS to adopt a framework for achieving the aims of such organization or initiative. MFS believes that climate change, the policies designed to combat it, and consumer or other shifts that occur because of society's efforts to mitigate its effects could materially impact the value of an issuer. As such, the MFS Global Group seeks to achieve net zero carbon emissions ("net zero") for a designated portion of its assets under management by 2050. The MFS Global Group has designed this net zero target to be based on engagement with portfolio companies to implement and execute their own net zero plans and targets. As such, MFS will not introduce investment restrictions or goals in any account or strategy solely for the purposes of reaching net zero, and there is no assurance that the MFS Global Group will achieve net zero for all or any portion of its assets under management. MFS' participation in any organization or initiative and its net zero target is subject to its fiduciary responsibilities to its clients and, therefore, MFS may fail to act or may take actions that are inconsistent with the purpose, goals or aspirations of these organizations or initiatives or its net zero target if, in MFS' judgment, it is in the best economic interests of its clients to do so.

MFS will implement or introduce ESG restrictions, investment criteria or goals for an account when directed by a client or to comply with applicable law. Additionally, members of the MFS Global Group have developed investment strategies that have ESG restrictions, investment criteria or goals because of jurisdiction-specific regulations or as result of local market preferences or demand.

Where MFS manages the same or similar investment strategies side-by-side across different jurisdictions, vehicles and for different investor types, an investment restriction or guideline imposed by a specific jurisdiction, vehicle or investor type could impact how MFS manages the overall investment strategy. Similarly, clients of MFS may have preferences for their investments, including investment restrictions, that are not fully aligned with the way in which MFS manages a particular investment strategy. In these instances, depending on the client, MFS is incentivized to change how it manages the overall investment strategy or otherwise create products that do not align with MFS' overall investment management approach in order to win or retain business. ETFs for which MFS acts as the primary investment adviser (the "MFS ETFs") are required to disclose their portfolio holdings publicly on a daily basis and such information could be used by market participants for their own benefit, which could negatively impact an account's execution of purchase and sale transactions.

The following is a description of certain risks that apply to the MFS Global Group at an enterprise-wide level, and as a result impact all clients, regardless of their selected investment products or strategies. An account may experience losses as a result of the realization of such risks.

The MFS Global Group uses technology, systems and data in its business operations, as well as in providing investment advisory services to client accounts. Technology and systems used by the MFS Global Group are sourced both internally from within the MFS Global Group and from the MFS Global Group's vendors. The MFS Global Group relies on such technologies and systems to operate effectively and as intended; however, as described in the risks below, such technologies and systems are complex and subject to disruption, including cyberattacks, and may not perform as expected or intended. Data used by the MFS Global Group is sourced both internally from within the MFS Global Group and from the MFS Global Group's vendors. The MFS Global Group relies on the accuracy of such data; however as described in the risks below, the data utilized by the MFS Global Group could be inaccurate, incomplete, inconsistent or out-of-date.

To mitigate such risks, as discussed in more detail below, the MFS Global Group has established information security plans, business continuity plans and risk management systems that it believes are reasonably designed to prevent or reduce the impact of such disruptions. The MFS Global Group has also adopted plans, policies, practices and controls it believes are reasonably designed to mitigate potential risks associated with its use of such technologies and seeks to employ reasonable controls with respect to technology and its technology environment. Additionally, the MFS Global Group seeks to implement reasonable internal data governance practices and use reliable third-party vendor data sources. Further, the MFS Global Group evaluates the selection and ongoing use of vendors, including technology providers, systems providers or data providers, against a variety of factors, including expertise and experience, quality of service, reputation, and price in accordance with its vendor management program, which the MFS Global Group believes provides reasonable oversight over its vendors.

Therefore, except as otherwise agreed with a client, MFS is not liable for losses caused by the realization of the risks below, so long as it and/or the MFS Global Group has been reasonable in (i) adopting and implementing such plans, policies, practices and controls and/or (ii) if the loss is partially or fully caused by a vendor(s), selecting and overseeing such MFS Global Group vendor(s). Additionally, vendors selected and utilized by clients and client accounts are subject to the same risks as those described below and an account may experience losses as a result of the realization of such risks. MFS may rely upon the actions of, or data provided by, such client selected vendors in the performance of MFS' investment advisory services for the client. MFS will not be responsible for any losses caused by its reliance on such actions of, or data provided by, such a client-selected vendor. MFS is incentivized to seek to contractually limit its liability in its agreements, including those governing its management of an account; however, when MFS does so, it seeks to limit such liability without detracting from any right a client may have under applicable law. Nothing in this paragraph is intended to detract from any right a client may have under applicable law.

A discussion on how losses caused by investment errors are handled by MFS is set forth below under the heading *"Identification and Resolution of Investment Errors*" in Item 11, *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

For a general description of the material investment risk factors for accounts managed by MFS, please see *Appendix A—Material Risk Factors*.

<u>Business Continuity Risk</u>

MFS has developed a Business Continuity Program (the "Program") that is designed to minimize the disruption of normal business operations in the event of an adverse incident impacting MFS or the other members of the MFS Global Group. While MFS believes that the Program is comprehensive and should enable it to reestablish normal business operations in a timely manner in the event of an adverse incident, there are inherent limitations in such programs (including the possibility that adverse incidents have not been anticipated and procedures do not work as intended) and under some circumstances, MFS and the other members of the MFS Global Group, any vendors used by MFS or the other members of the MFS Global Group or any service providers to the accounts MFS manages could be prevented or hindered from providing services to the account for extended periods of time. These circumstances may include, without limitation, natural disasters, outbreaks of pandemic and epidemic diseases, acts of governments, any act of declared or undeclared war (including acts of terrorism), power shortages or failures, utility or communication failure or delays (including disruptions to broadband and Internet services), labor disputes, strikes, shortages, supply shortages, and system failures or malfunctions. These circumstances, including systems failures and malfunctions, could cause disruptions and negatively impact an account's service providers and an account's business operations, potentially including an inability to process account shareholder transactions, an inability to calculate an account's net asset value and price an account's investments, and impediments to trading account securities. Disruptions to business operations may exist or persist even if employees of MFS, the other members of the MFS Global Group, and any vendors used by MFS or the other members of the MFS Global Group or an account are able to work remotely.

Cybersecurity Risk

Accounts managed by MFS may be exposed to cybersecurity risks through MFS, a member of the MFS Global Group, other third parties (such as brokers, other financial intermediaries and Managed Account Program sponsors), as well as through MFS' vendors or service providers to the accounts MFS manages. With the increased use of technologies, such as mobile devices and "cloud"-based service offerings and the dependence on the Internet and computer systems to perform necessary business functions, firms are susceptible to operational and information or cybersecurity risks that could result in losses to an account. Cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, unauthorized access to the firm's digital systems through system-wide hacking or other means for the purpose of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyberattacks can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on a firm's systems or websites rendering them unavailable to intended users or via "ransomware" that renders the systems inoperable until appropriate actions are taken. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on a firm's systems.

Cybersecurity failures or breaches involving such firms or the issuers of securities in which the account invests could negatively impact the value of an account's investments and cause disruptions and impact the firm's or an account's operations, potentially resulting in financial losses, the inability of an account to transact business and process transactions, the inability to calculate an account's net asset value (if applicable), impediments to trading, destruction to equipment and systems, interference with quantitative models, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting counterparties with which an account engages in transactions, governmental and other regulatory authorities, exchanges and other financial market operators and other parties. Accounts that are pooled vehicles may incur incremental costs to prevent or reduce the impact of cyber incidents in the future that could negatively impact the pooled vehicle and its investors. Because technology is frequently changing, new ways to carry out cybersecurity attacks continue to develop. Therefore, there is a chance that certain risks have not been identified or prepared for, or that an attack may not be detected, which puts limitations on the ability of MFS and its vendors and an account and its service providers to plan for or respond to a cybersecurity attack. Furthermore, geopolitical tensions could increase the scale and sophistication of deliberate cybersecurity attacks, particularly those from nation-states or from entities with nation-state backing.

While the MFS Global Group has established information security plans, business continuity plans and risk management systems that it believes are reasonably designed to prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been (or cannot be) adequately identified. Furthermore, MFS cannot directly control any cybersecurity plans and systems put in place by other third parties including vendors, or by issuers in which accounts managed by MFS may invest and such vendors may have limited indemnification obligations to MFS, or the accounts managed by MFS, each of whom could be negatively impacted as a result.

Vendor Risk

MFS and the other members of the MFS Global Group may engage one or more vendors in connection with or in support of their provision of investment advisory services to an account. As discussed in Item 10, *Other Financial Industry Activities and Affiliations*, such vendors may include other members of the MFS Global Group. Vendors may include accountants, valuation agents, software providers, analytics vendors, technology providers, pricing/modeling vendors, regulatory and compliance vendors, data providers, proxy voting administration providers, recordkeepers and other persons providing similar types of services. A vendor may provide services with respect to an account, certain investments held in an account or to MFS or another entity in the MFS Global Group. MFS evaluates the selection and ongoing use of vendors against a variety of factors, including expertise and experience, quality of service, reputation, and price in accordance with its vendor management program. Although MFS maintains what it believes to be reasonable oversight over its vendors, there may be instances where employee fraud or other misconduct, human error, inaccurate, incomplete, inconsistent and/or out-of-date data, resourcing or deficiencies in controls or technology systems of MFS or a vendor (or vendors utilized by these vendors) may cause losses for an account or impact the operations of the account or of MFS or another entity in the MFS Global Group.

Technology and Data Risk

MFS and the other members of the MFS Global Group rely on both proprietary and third-party technology and data in business operations, as well as in providing investment advisory services to client accounts. The technological tools employed by MFS include, but are not limited to, software, computer systems, digital systems, algorithms and various forms of automation, including machine learning and natural language processing. The vendors utilized by the MFS Global Group may, depending on the nature of the services they provide, use similar technologies. MFS uses these technologies to enhance operational efficiency, to support its information technology environment and to assist various MFS Global Group employees in the performance of their roles. As technology advances, the MFS Global Group expects to continue to explore, test the utility of, and potentially use, a variety of technologies, including emerging forms of technology, such as generative artificial intelligence ("AI"), for different potential use cases. The MFS Global Group has adopted policies it believes are reasonably designed to mitigate potential risks associated with its use of such technologies. For example, the MFS Global Group permits employees to use only generative AI tools approved by the MFS Global Group and imposes requirements on users to ensure the technology is used responsibly for the circumstances. While the MFS Global Group seeks to utilize reputable vendors and technology partners and seeks to employ reasonable controls with respect to technology and its technology environment, there are nonetheless risks associated with the use of technology. These risks include, but are not limited to, that a technology will not perform as expected or intended, that a technology will change over time without detection by the MFS Global Group, and that a technology is susceptible to cybersecurity risk (see "Cybersecurity Risk" above for more information) and can be configured or used in a way that leads to unexpected or unintended results. For these and other reasons, the use of technology could result in losses, financial or otherwise, to an account. Additionally, legal and regulatory changes, such as those related to information privacy and data protection, may have an impact on the use of existing or emerging technologies.

MFS and other members of the MFS Global Group use a range of data sourced internally or from vendors for a variety of purposes, including for use in the investment management process. The MFS Global Group seeks to implement reasonable internal data governance practices and use reliable vendor data sources. Nevertheless, data may be inaccurate, incomplete, inconsistent or out-of-date, which may result in losses, financial or otherwise, to an account.

Item 9 – Disciplinary Information

On August 31, 2018, MFS settled a matter with the SEC related to misstatements and omissions in marketing materials pursuant to which it paid a $1.9 million penalty and was censured. Specifically, the SEC found that certain marketing materials provided by MFS to Institutional Clients and prospective Institutional Clients, investment consultants and financial intermediaries concerning MFS' Blended Research investment strategies contained material misstatements and omissions. The SEC's findings specifically pertained to a conceptual chart included in the marketing materials that presented the performance of hypothetical buckets of stocks created using quantitative inputs and fundamental inputs. Though MFS labeled the chart as "hypothetical," the SEC found that MFS failed to disclose and/or misrepresented the fact that some of the quantitative data used to create the chart was generated by a retroactive application of MFS' quantitative model (*i.e.*, by "back-testing" the model). As a result of these disclosure issues, the SEC found that MFS violated Section 206(2) and 206(4) of the Advisers Act and Rule 206(4)-1(a)(5) thereunder, and that it failed to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and its rules in violation of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. MFS neither admitted nor denied the findings in the SEC's settlement order.

Item 10 – Other Financial Industry Activities and Affiliations

In addition to being an investment adviser registered with the SEC, MFS is also, with respect to certain MFS Global Funds, a commodity trading advisor and commodity pool operator registered with the U.S. Commodity Futures Trading Commission ("CFTC"). The President and a Director of MFS, Carol W. Geremia, and the Chairman and Chief Executive Officer and Director and Chairman of the Board of MFS, Michael W. Roberge, are both registered with the CFTC as associated persons of MFS. As described above in Item 4, *Advisory Business*, MFS, MFSI and the Participating Affiliates (as defined below) are members of the "MFS Global Group," which has investment professionals located in Australia, Brazil, Canada, Hong Kong, Japan, Portugal, Singapore, the United Kingdom ("U.K.") and the U.S. The Participating Affiliates are: MFS International (U.K.) Limited ("MIL UK"), MFS Investment Management Company (Lux) S.à r.l. ("MFS Lux"), MFS Investment Management K.K. ("MIMKK"), MFS Investment Management Canada Limited ("MFS Canada"), MFS International Singapore Pte. Ltd. ("MFSI Singapore"), MFS International (Hong Kong) Limited ("MIL HK"), MFS do Brasil Desenvolvimento de Mercado Ltda ("MFS Brazil") and MFS International Australia Pty Ltd ("MFSI Australia"). Each Participating Affiliate is a non-U.S. affiliate of MFS, is not registered under the Advisers Act and provides services to MFS pursuant to an amended and restated written memorandum of understanding by and among MFS, MFSI and the Participating Affiliates (the "MOU"). Under the MOU, certain employees of each Participating Affiliate serve as associated persons of MFSI ("Associated Persons").

The investment professionals of each affiliated investment adviser or other entity in the MFS Global Group may contribute to the management of accounts across the MFS Global Group, including those of MFS. Supervision of such investment professionals is the responsibility of the applicable Participating Affiliate, as well as MFS and MFSI. Specific decisions to purchase or sell account securities are made by MFS employees or Associated Persons supervised by MFS. Any such person may serve other clients of MFS or any member of the MFS Global Group in a similar capacity.

The activities of the Participating Affiliates within the MFS Global Group are described more fully below.

- ***MIL UK***. MIL UK is an indirect, wholly-owned subsidiary of MFS organized under the laws of England and Wales and is regulated by the UK Financial Conduct Authority. Either directly or as a Participating Affiliate, MIL UK provides investment research, portfolio management and trading services with respect to various clients, including those for which MFS and/or members of the MFS Global Group act as an investment adviser or sub-adviser.

- ***MIMKK***. MIMKK is an indirect, wholly-owned subsidiary of MFS organized under the laws of Japan and registered with the Financial Services Agency in Japan. Either directly or as a Participating Affiliate, MIMKK provides investment research, portfolio management and distribution services for certain clients for which MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- ***MFS Canada.*** MFS Canada, a wholly-owned subsidiary of MFS, is an investment adviser headquartered in Toronto, Ontario, Canada and registered in each of the provinces and territories of Canada. MFS Canada is registered with all 13 Canadian provincial and territorial regulators. Either directly or as a Participating Affiliate, MFS Canada provides investment research, portfolio management and trading services for certain clients for which MFS Canada, MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- ***MFS Lux.*** MFS Lux, an indirect, wholly-owned subsidiary of MFS, is a société à responsabilité limitée organized under Luxembourg law and registered with the Luxembourg Commission de Surveillance du Secteur Financier. As a Participating Affiliate, MFS Lux provides distribution services and administrative services to certain clients for which MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- ***MIL HK***. MIL HK is an indirect, wholly-owned subsidiary of MFS, licensed and regulated by the Hong Kong Securities and Futures Commission. Either directly or as a Participating Affiliate, MIL HK provides investment research, portfolio management and/or distribution services for certain clients for which MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- ***MFSI Singapore*****.** MFSI Singapore is an indirect, wholly-owned subsidiary of MFS and is organized under the laws of Singapore. MFSI Singapore is licensed and regulated by the Monetary Authority of Singapore. MFSI Singapore holds a Capital Markets Services Licence and, either directly or as a Participating Affiliate, provides portfolio management, investment research and/or distribution services for certain clients for which MFS and/or members of the MFS Global Group act as investment adviser or sub-adviser.

- ***MFSI Australia.*** MFSI Australia is an indirect, wholly-owned subsidiary of MFS organized as a proprietary limited liability company under Australian law. MFSI Australia is licensed and regulated by the Australian Securities and Investments Commission and holds an Australian Financial Services Licence. Either directly or as a Participating Affiliate, MFSI Australia provides portfolio management, investment research, and/or distribution services, for certain clients for which MFS and/or members of the MFS Global Group may act as investment adviser or sub-adviser.

- ***MFS Brazil.*** MFS Brazil is an indirect, wholly-owned subsidiary of MFS organized under the laws of Brazil. Either directly or as a Participating Affiliate, MFS Brazil provides investment research, distribution services and marketing services for MFS and/or members of the MFS Global Group.

MFS provides investment research, portfolio management and/or trading services for certain non-U.S. clients for which MIMKK, MFS Lux or MFSI Singapore act as investment adviser or management company. In addition to the Participating Affiliates, MFS also has arrangements material to its advisory business or its clients with the following affiliated entities:

<u>MFSI</u>

MFSI acts as investment adviser or sub-adviser for separately managed institutional separate account clients and as sub-adviser for certain U.S. pooled investment vehicles (including registered investment companies) and foreign pooled investment vehicles. Additionally, MFSI provides discretionary and non-discretionary investment advisory services for use in “Managed Account Programs,” which are organized by financial intermediaries commonly referred to as “sponsors.” MFSI acts only as an investment adviser (or sub-adviser) for Managed Account Programs and does not act as the sponsor of any Managed Account Program. MFSI also provides non-discretionary model portfolio delivery services to

Institutional Clients that invest for their own account or the accounts of others (all such arrangements "Institutional Model-Delivery Arrangements"). Some institutional accounts of MFSI may hold shares of one or more MFS Global Funds. In such cases, the institutional account receives a credit to its account equal to its pro rata share of such MFS Global Fund's investment advisory fee. MFSI has an incentive to purchase shares of an MFS Global Fund for its institutional clients for purposes of creating the appearance of increased assets under management in such MFS Global Fund. MFSI or another member of the MFS Global Group (including MFS) have established certain proprietary accounts and seeded certain pooled investment vehicles that are open to investors. Please see "*Participation or Interest in Client Transactions*" in Item 11, *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* for more information about the conflicts of interest associated with such investments. MFSI also provides investment research, portfolio management and/or trading services for certain Participating Affiliates and, through certain of its supervised persons who are also registered representatives of MFD, refers certain institutional clients to MFS. Because MFS and MFSI share personnel, as discussed above, and as a result of the various advisory services each provides to various clients, conflicts of interest related to the side-by-side management of client accounts and the allocation of investment opportunities and other trading practices arise. Please see Item 6, *Performance-Based Fees and Side by Side Management* and Item 12, *Brokerage Practices* for a discussion of these conflicts and how they are mitigated.

<u>MFS Fund Distributors, Inc. ("MFD")</u>

MFD, an SEC-registered broker and wholly-owned subsidiary of MFS, acts as distributor for the MFS Funds. In addition, MFD acts as placement agent for the collective investment trusts for which MFS Heritage Trust Company ("MHTC") serves as trustee, manager and administrator and for which MFS provides investment research and trading support (such collective investment trusts the "MHTC CITs"), as well as third-party collective investment trusts. MFD is also a registered municipal securities dealer for the limited purpose of distributing a 529 Plan. In addition, MFD facilitates subscriptions into the MFS Private Funds and provides distribution assistance to members of the MFS Global Group with respect to certain MFS Global Funds. MFD does not execute portfolio transactions in accounts. Certain registered representatives of MFD are also supervised persons of MFSI and promote the sale of investment strategies that are offered via a variety of investment vehicles such as the MFS Funds, the MFS Private Funds, the MHTC CITs, Managed Account Programs and institutional separate accounts. Clients and/or financial intermediaries select the investment strategy and the appropriate investment vehicle. The structure and amount of selling compensation paid by MFD and MFSI varies depending on the investment strategy and distribution channel selected. When compensation to be paid is higher for one investment strategy or distribution channel over another, a conflict of interest will exist because MFD's sales force is incentivized to sell such higher paying investment strategy or sell through such higher paying distribution channel than what might otherwise be in the best interest of an investor. MFS believes this potential conflict is largely mitigated by the fact that MFS investment strategies are offered primarily to or through sophisticated institutional investors and financial intermediaries capable of selecting which investment strategy and distribution channel is best for them and their underlying clients. The following management persons of MFS are also registered representatives of MFD: Carol W. Geremia (Director and President of MFS), John M. Corcoran (Executive Vice President and Chief Financial Officer of MFS) and Sean M. Kenney (Executive Vice President and Co-Head of Distribution). The agreements under which MFD serves as distributor to the MFS Funds are subject to annual approval by the independent trustees of the MFS Funds.

MHTC

MHTC, a wholly-owned subsidiary of MFS, is a New Hampshire-chartered non-depository trust company that serves as a directed trustee or custodian of certain employer-sponsored retirement plans and individual retirement accounts that invest in the MFS Funds, as well as trustee, manager and administrator for the MHTC CITs. MFS provides investment research and trading support to MHTC for the MHTC CITs.

MFS International Switzerland GmbH ("MFS Switzerland")

MFS Switzerland is a wholly-owned subsidiary of MIL UK. MFS Switzerland is organized as a company with limited liability under the laws of Switzerland. Employees of MFS Switzerland provide distribution and marketing services outside of the U.S. for various non-U.S. registered products or non-U.S. clients, including those for which MFSI and/or members of the MFS Global Group act as an investment adviser or sub-adviser.

SLF entities

Currently, MFSI advises or sub-advises a number of accounts on behalf of SLF's or its subsidiaries' clients (including Canadian mutual fund trusts managed by Sun Life Global Investments (Canada) Inc. for which MFS Canada serves as sub-advisor and has appointed MFSI as sub-sub-advisor) as well as proprietary assets of SLF or its subsidiaries. MFSI has also entered into an arrangement whereby it pays Sun Life Assurance Company of Canada to market certain MFSI model portfolios to Managed Account Program sponsors.

MFS Private Funds

MFSI serves as managing member of the MFS Private Funds for which it has delegated portfolio management responsibility to MFS.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

<u>Participation or Interest in Client Transactions</u>

MFS and members of the MFS Global Group act as investment adviser to numerous accounts and can, and sometimes do, give advice or take action with respect to one account that differs from action taken on behalf of other accounts. From time to time, MFS will take an investment action or decision for one or more accounts that is different from, or inconsistent with, an action or decision taken for one or more other accounts that have the same or different investment objectives, and such actions could be taken at different, potentially inopportune, times. The difference in action or timing could result in increased implementation costs; such accounts could be diluted; the values, prices or investment strategies of another account could be impaired; or such accounts could otherwise be disadvantaged. For example, if one account buys a security and another account subsequently establishes a short position in that same security or with respect to another security of that issuer, the subsequent short sale could result in a decrease in the price of the security that the first account holds. Conversely, potential conflicts can also arise if account decisions effected for one account could result in a benefit to other accounts. This could occur if, for example, one account purchases a security or covers a short position in a security, which increases the price of the same security held by other accounts, therefore benefitting those other accounts. These effects can be particularly pronounced with respect to less liquid securities.

Another MFS Global Group member advises or sub-advises a number of accounts on behalf of SLF's or its subsidiaries' clients. Such accounts include Canadian mutual fund trusts managed by Sun Life Global Investments (Canada) Inc. for which MFS Canada serves as sub-advisor and has appointed MFSI as sub-sub-advisor. Such accounts also include proprietary assets of SLF or its subsidiaries. The MFS Global Group has an incentive to favor such accounts because SLF is the ultimate parent of each of the members of the MFS Global Group. Please refer to Item 12, *Brokerage Practices,* for a discussion of the manner in which the MFS Global Group addresses such potential conflicts of interest.

Certain accounts to which MFS or another MFS Global Group member provides investment advisory services are beneficially-owned, in whole or in part, by a member of the MFS Global Group and/or their respective officers, directors or employees. The MFS Global Group's management of such accounts presents conflicts of interest, depending on the particular circumstances of each case: (i) where a portfolio manager holds a personal investment in an account, the portfolio manager has an incentive to favor such account in which he/she is invested in order to maximize the return of his/her investment; and (ii) in cases of investment by a member of the MFS Global Group, and/or any officers, directors or employees of a member of the MFS Global Group, the MFS Global Group member providing advisory services to the account has an incentive to maximize the return of the investments of itself or the officers, directors or employees. Additionally, officers, directors and employees of the MFS Global Group could invest or otherwise have an interest in securities owned by, or recommended to, MFS' clients. Please refer to Item 12, *Brokerage Practices* and the heading "*MFS Investment Management Code of Ethics/Personal Investing Policy*," below, for information about how MFS addresses these conflicts of interest.

The MFS Global Group has established proprietary accounts for different purposes, including establishing a performance record to enable the MFS Global Group to promote a new investment style. The MFS Global Group has also seeded investment products that are open to investors. MFS could purchase on behalf of one or more client accounts the same securities or other financial instruments as those held in a proprietary or seeded account, whether the accounts are managed in a similar or different style. The MFS Global Group has incentives to favor its proprietary and seeded accounts by allocating to such accounts better investment opportunities in order to maximize returns on its investments or establishing a more favorable performance record to maximize distribution opportunities. As described in Item 12, *Brokerage Practices*, the MFS Global Group has adopted allocation policies and procedures that it believes are reasonably designed to treat all accounts fairly and equitably over time, thereby mitigating the risk that MFS will favor a proprietary or seeded account over a client's account.

Additionally, the MFS Global Group has established separate risk management accounts that utilize a variety of techniques designed to hedge the investment risks and exposure associated with the proprietary and seeded accounts' investments. These hedging techniques are not necessarily utilized for, or permitted by, client accounts managed by MFS, and thus the MFS Global Group's exposure to a particular investment may be less than a client's exposure in the same investment.

As described above, MFS could purchase shares of any MFS Global Fund on behalf of a client account. Although MFS does not expect regularly to make such investments, to the extent that MFS does so, the client account will receive a credit equal to the amount of the management fee paid by the relevant MFS Global Fund(s) to MFS or a member of the MFS Global Group attributable to the account's investment in the MFS Global Fund. Additionally, the MFS Funds may invest assets in a money market fund that is also an MFS Fund. For more information, please see Item 5, *Fees and Compensation* and the Offering Documents for the relevant MFS Global Fund.

Conflicts may also arise in cases where accounts invest in different parts of an issuer's capital structure. If an issuer in which different accounts hold different securities (or other assets, instruments or obligations issued by such issuer) encounters financial problems, decisions regarding the terms of any restructuring or workout may create conflicts of interests. MFS has implemented policies and procedures that it believes are reasonably designed to identify such conflicts of interest when they occur and address them by, among other things, ensuring that, where conflicts of interest exist, no portfolio manager is responsible for making investment decisions with respect to more than one such category.

<u>MFS Investment Management Code of Ethics/Personal Investing Policy</u>

The MFS Investment Management Code of Ethics/Personal Investing Policy (the "Policy") and the MFS Code of Business Conduct (together, the "Policies") include standards of business conduct requiring employees to comply with pertinent U.S. and non-U.S. securities laws, as applicable, and the fiduciary duties an investment adviser owes its clients. The overarching purpose of the Policies is to ensure that members of the MFS Global Group and their employees always act in the best interests of clients. Accordingly, in governing the personal trading of employees, including officers and directors, the Policies require that employees always place client interests ahead of their own and never to (i) take advantage of their position to misappropriate investment opportunities from clients; (ii) seek to defraud a client or do anything that could have the effect of creating a fraud or manipulation; or (iii) mislead a client. All employees are obligated to report personal and beneficially-owned brokerage accounts and beneficially-owned accounts that hold reportable securities, including certain pooled vehicles managed or sub-advised by MFS. Additionally, employees are obligated to report holdings and transactions in reportable securities and certify to such transactions and holdings. However, neither MFS nor any of its employees are obligated to refrain from investing in securities held by the accounts that it manages except to the extent that such investments violate applicable law, the Policies or other policies of MFS.

In addition, employees deemed to be "access persons" (which, as defined in the Policy, includes, among others, officers and directors as well as investment personnel) must receive pre-clearance authorization to execute transactions in designated reportable securities for personal and beneficially-owned accounts.

Certain employees that invest in one or more MFS Global Funds may from time to time have access to information that is not available to other investors in such funds. The MFS Global Group has adopted policies and procedures it believes are reasonably designed to identify and disclose material information where necessary and in a fair and equitable manner, and to manage any related conflicts that arise, including placing restrictions on employee trading in applicable MFS Global Funds where appropriate.

Portfolio managers assigned to manage an account are prohibited from trading a reportable security for their personal account for seven calendar days before or after a transaction in a security or derivative of the same issuer in a client account managed by the portfolio manager. Portfolio managers are also prohibited from short-term trades in funds that they manage (*i.e.*, personally (i) buying and selling, or (ii) selling and buying, shares of any MFS Fund managed by the portfolio manager within a 14-calendar-day period). For these purposes, research analysts who support accounts that do not otherwise employ portfolio managers are themselves treated as portfolio managers.

All employees are required to certify at least annually that they have read and understand the Policies and agree to abide by the terms of the Policies. Violations of the Policies are reviewed with the MFS committee charged with oversight of the Policies, which determines appropriate disciplinary action that may be taken for violations. Disciplinary action includes, but is not limited to, written violation notices, restrictions on personal trading, profit disgorgement and/or termination of employment.

The Chief Compliance Officer has the authority to grant exceptions to the provisions of the Policies on a case-by-case basis.

MFS or its employees have business or personal relationships with other companies or persons MFS does business with or with a security issuer (collectively "business relationships") that could incentivize MFS or the employee to favor the business relationship or their own personal interests over a client or to favor certain clients over others. For example, MFS may have an incentive to make investment decisions to purchase or increase its holdings in securities issued by client consultants, financial intermediaries, and clients or potential clients of MFS or another member of the MFS Global Group in order to retain or win additional business from the issuer of the securities (or its affiliates). This could include purchasing equity securities issued by the client (or its affiliates) to increase the share price, purchasing distressed bonds issued by the client (or its affiliates) to help create the perception the issuer is healthy or solvent or to be able to exercise greater influence in favor of the issuer in the case of a workout or purchasing new issues or private placements issued by the client (or its affiliates) when the client is struggling to attract other buyers. The MFS Code of Business Conduct requires all employees always to act in the best interests of clients.

Copies of the Policies are available to clients and prospective clients upon request.

As the situations described under the headings "*Participation or Interest in Client Transactions*" and "MFS Investment Management Code of Ethics/Personal Investing Policy" give rise to potential conflicts of interest, MFS has implemented policies and/or procedures relating to, among other things, vendor management, employee conduct, portfolio management and trading practices, personal securities transactions, insider trading, gifts and entertainment, political and charitable contributions, outside activities and conflicts of interest. MFS believes these policies and procedures are reasonably designed to identify and mitigate conflicts of interest with or among clients, MFS employees and business partners, and to resolve them appropriately when they do occur.

Inside Information Policy

MFS and the other members of the MFS Global Group could, from time to time, come into possession of material, non-public information, commonly known as "MNPI" or "inside information." In this context, information is considered "material" if its disclosure (i) might affect an investor's decision to buy, sell or hold a security or (ii) might impact the price of a security issued by the company of which the inside information relates. Under applicable law, MFS would generally be prohibited from improperly disclosing or using, including trading upon, such information for its benefit or for the benefit of any other person, regardless of whether such other person is an advisory client. Accordingly, should the MFS Global Group come into possession of MNPI with respect to any issuer of securities, MFS likely would be prohibited from communicating such information to, or trading upon such information for the benefit of, its clients, and has no obligation or responsibility to disclose such information to, nor responsibility to trade upon such information for the benefit of such clients. To this end, MFS maintains an Inside Information Policy, to which the members of the MFS Global Group, including MFS, are subject, that establishes procedures reasonably designed to prevent the misuse of MNPI concerning an issuer of securities by MFS and its employees. The Inside Information Policy provides that if any employee of a member of the MFS Global Group obtains MNPI concerning an issuer of securities, the MFS Global Group, including MFS, is prohibited from trading on such information for their own and their clients' benefit, with limited exceptions permitted by law. When this occurs, MFS' ability to execute transactions it would otherwise make within an investment strategy may be impacted to the extent the strategy called for the purchase or sale of securities issued by the company for which MNPI became known to the MFS Global Group. In some cases, this could also prevent MFS from executing client-requested trades, even if the client was unaware of the MNPI.

Investment in MFS' Ultimate Parent Company

As a matter of corporate policy, MFS does not invest the assets of any client in securities issued by SLF.

Identification and Resolution of Investment Errors

Providing investment advisory services is complicated and numerous considerations and processes are involved in reaching portfolio management decisions, communicating those decisions internally and executing those decisions with counterparties. The MFS Global Group has developed an investment error policy and procedure that applies to all members of the MFS Global Group, including MFS ("Error Policy"). The Error Policy assists MFS in evaluating mistakes on a case-by-case basis and seeking to resolve them in a manner that is consistent with its contractual and legal obligations.

MFS' legal and contractual obligations generally do not require perfect implementation of investment advisory decisions including the related trading, processing or other functions performed by MFS. Therefore, not all mistakes made by MFS will be considered investment errors ("Errors"). MFS will determine if a mistake is an Error on a case-by-case basis, based on factors it determines are reasonable, including regulatory and contractual requirements and business and market practices. The Error Policy does not require MFS to notify a client (unless otherwise agreed with the client) if MFS investigates a potential breach or error and determines that no Error has occurred. In certain of these cases where a mistake is not deemed to be an Error, MFS may, in its discretion, elect to offer some form of compensation as a goodwill payment to one or more clients but not others.

Imperfections in, or delays in the implementation of, investment decisions and related processes in the normal course of business do not constitute Errors under the Error Policy. In addition, in managing accounts, MFS may establish non-public, formal or informal internal targets, or other parameters that may be used to manage risk or otherwise guide decision-making, and a failure to adhere to such internal parameters will not be considered an Error.

There are regions or transaction types where financial penalties are imposed in a case of a failure to settle a transaction. The MFS Global Group has adopted processes and procedures to mitigate the risk of settlement failures, however it is important to note that MFS may sell a security that has not yet been delivered to an account to effectuate the portfolio manager's intent. This is not considered an Error and, unless otherwise agreed with the client, MFS is not required to compensate the account for any settlement penalties.

In the event that an error is caused by the action or inaction of a third party not selected by the MFS Global Group, MFS will provide reasonable assistance to the client in its attempt to recover costs from that third party, but MFS is not responsible for compensating the client for such losses.

MFS will handle an Error as promptly as reasonably possible under the circumstances. Under certain circumstances, and to the extent it is not contrary to client instructions, MFS may consider whether it is possible to avoid or limit the impact of an Error in a client account by using an MFS error account, correcting directly with the counterparty (*i.e.*, cancelling and rebooking the trade) or reallocating to different client account(s), without disadvantaging such client account(s). Gains or losses resulting from Error-related transactions in the MFS error account are credited or charged (as applicable) to MFS and not to any client account. At the end of each calendar year, any net gains generated in the MFS error account will be donated to a charity of the MFS Global Group's choice.

MFS will use its reasonable judgment to calculate the amount of compensation associated with an Error. The calculation of the amount of any gain or loss will depend on the particular facts and circumstances surrounding the Error, and the methodologies used by MFS to calculate gain or loss may vary. Compensation is generally expected to be limited to investment losses and will not include any amounts that MFS deems to be uncertain or speculative, including lost opportunity cost, nor will it cover investment losses not caused by the Error.

In calculating the cost of correcting an Error, MFS will net, in any one account, losses and gains arising from a single Error or a series of related Errors provided that MFS acts in good faith.

MFS will generally notify its clients of any Errors that financially impact their account, unless, for example, local law, market practice, or the client do not require such notification.

MFS is subject to a conflict of interest in determining whether a mistake is an Error, whether to notify clients of an Error and how to correct the Error and reimburse for any losses. Such conflict arises because MFS has an interest in avoiding the reputational or economic consequences of an Error. MFS Global Group personnel may be subject to a similar conflict of interest if such employee believes he or she would face negative personal consequences in connection with causing or reporting errors. When a potential error is identified, MFS Global Group personnel are required promptly to report any such error. Additionally, the MFS Global Group has implemented controls and procedures, including generally segregating the duties of portfolio management, trading and operations to increase the likelihood that errors will be identified and reported. Further, a cross-functional group of senior MFS Global Group professionals reviews trends in Errors and the handling thereof over time.

Portfolio Manager Compensation

The MFS Global Group seeks to align portfolio manager compensation with the goal to provide clients with long-term value through a collaborative investment process. Therefore, the MFS Global Group uses long-term investment performance as well as contribution to the overall investment process and collaborative culture as key factors in determining portfolio manager compensation. In addition, the MFS Global Group seeks to maintain total compensation programs that are competitive in the asset management industry in each geographic market where it has employees. The MFS Global Group uses competitive compensation data to ensure that compensation practices are aligned with its goals of attracting, maintaining and motivating the highest-quality professionals. In determining portfolio manager compensation, the MFS Global Group uses quantitative means and qualitative means to help ensure a durable investment process. Portfolio manager total cash compensation is a combination of base salary and performance bonus. Base salary generally represents a smaller percentage of portfolio manager total cash compensation than performance bonus. Generally, the performance bonus represents more than a majority of portfolio manager total cash compensation.

Item 12 – Brokerage Practices

Seeking Best Execution

MFS seeks to obtain best execution of client transactions on a consistent and ongoing basis, taking into consideration the prevailing circumstances at the time of the particular transaction and subject to any client-imposed restrictions. We define best execution as the processes that MFS has implemented to support the objective of seeking to obtain the most favorable outcome under the circumstances when executing and placing orders generated by MFS in the course of providing investment advisory services to MFS' clients. This process involves the regular monitoring, testing and review of the trading process and execution results. In seeking to obtain best execution, MFS takes into account several execution factors that it considers to be relevant, listed below in no particular order:

- price: the prevailing price of the instrument;
- cost: the expected total costs associated with execution of an order, including, but not limited to, possible expected market impact and explicit costs such as broker commissions;
- bid/ask spreads;
- speed: the expectation and assessment of how quickly the order can be executed;
- likelihood of execution and settlement – the likelihood of fulfilling the order and its settlement;
- size: the size of the order relative to the average, expected and/or visible market volume available;
- nature of the broker's capabilities in execution, service, clearance and settlement;
- availability of liquidity; and
- any other consideration that MFS considers relevant to the execution of the order.

In determining the relative importance of each execution factor to a particular order, MFS takes into account the following execution criteria:

- the characteristics and objectives of the client and the client order, including the investment horizon and any specific instructions, targets or restrictions from the portfolio manager or client *e.g.*, strategic acquisition or exit in an issuer, client inflows and outflows, or portfolio cash management;
- the characteristics of the asset class to which the order relates. Different asset classes will have characteristics specific to that asset class in terms of price transparency and discovery, market structure, participants, liquidity and market impact;
- market conditions and time of day, such as the degree of liquidity, volatility and momentum in the market;
- the characteristics of the liquidity sources to which the order can be directed may differ depending on the asset class in terms of access, mechanism to facilitate price discovery, liquidity, local trading customs and conventions and clearance mechanism;
- historical data and analysis and the ability to test new tools and trading approaches; and
- any other consideration deemed relevant to the execution of an order by MFS based on the objectives of the order.

In seeking to obtain best execution, MFS is not required to take into account charges imposed upon clients by third parties, such as ticket charges that may be imposed by the client's custodian.

Selection of Counterparties

MFS will determine which counterparty is suitable to access the liquidity needed to execute or place an order as part of the execution strategy, taking into account the following (where applicable):

- level of coverage, expertise and experience of the counterparty, including any historical execution quality analysis / review undertaken;
- perceived ability to manage and minimize information leakage;
- access and connectivity to exchanges and trading platforms;
- range of execution tools, algorithms and other technology enabled strategies;
- availability of liquidity and inventory at the MFS Approved Counterparty and its balance sheet;
- willingness to commit capital;
- assessment of counterparty risk;
- ability to settle transactions in a timely manner;
- desire of the MFS Global Group to test and develop new counterparty relationships; and
- level of reporting and transparency that the counterparty is able to provide to MFS.

MFS has an incentive to direct trades to counterparties for various reasons, including its business relationships with such counterparties. For example, some counterparties or their affiliates distribute shares of the MFS Global Funds, or act as an authorized participant or market maker for the MFS ETFs; MFS invests account assets in securities issued by counterparties or their affiliates; a counterparty could be a client of MFS; a counterparty could serve as prime broker to an MFS Global Fund; a counterparty could provide financing or leverage for an MFS Global Fund; or certain affiliates of counterparties provide banking services to members of the MFS Global Group. However, MFS has policies and procedures it believes to be reasonably designed to mitigate such conflicts. MFS may employ outside vendors to provide reports on the quality of counterparty executions.

Client-Imposed Limits on Broker Selection

At its discretion, MFS can accept accounts for which MFS must utilize only brokers chosen by the client or accounts on which clients impose reasonable limits on MFS' trading discretion. Under certain of such circumstances, MFS requires a client to relieve MFS of its obligation to seek to obtain best execution of the client's transactions (ERISA may prohibit such a waiver for accounts subject to ERISA). Where a client places a restriction on MFS' ability to select a broker, (i) MFS seeks to obtain best execution within the confines of such restrictions; and (ii) such restriction could impact how MFS places trades for other clients within the same investment strategy. MFS has policies and procedures it believes to be reasonably designed to mitigate such conflicts. For more information on how MFS seeks to obtain best execution for client accounts, please see "*Seeking Best Execution*" above.

Clients should understand that directing brokerage, or allowing only certain approved brokers for execution, limits or removes MFS' discretion to select brokers to execute client transactions and thus to seek to obtain best execution. Additionally, trades for clients who direct brokerage for execution or for clients who are prohibited from utilizing a broker or venue selected by MFS for executing other clients' orders for the same security may not be aggregated with, and may be placed after, orders for the same securities for other client accounts managed by MFS. Under these circumstances, even if the client has not explicitly waived or otherwise limited MFS' duty to seek to obtain best execution, the direction by the client of a particular broker to execute transactions, the need to use a different broker to execute the client's order by virtue of an affiliation between the client and the broker or the need to use a different broker to execute the client's order by virtue of the broker not being listed on the client's approved broker list, operates as a limit on MFS' ability to freely select brokers and could result in higher commissions, greater spreads, higher transaction costs or less favorable prices than might be the case if MFS could aggregate transactions with other client trades through a different broker or select executing brokers based on its duty to seek to obtain best execution. In some cases, restrictions such as these may preclude the client from the investment opportunity altogether. Some clients may establish targets for the use of certain types of brokers (*e.g.*, minority-owned brokers). In order to seek to satisfy these targets, while seeking to obtain best execution for all client accounts in an order, MFS may trade the client's account separately from the aggregated order for the same securities for other client accounts managed by MFS. The price, commission rate or transaction costs for orders placed separately from the aggregated orders may not be the same as those obtained for the aggregated orders and thus performance of such accounts may also differ.

MFS can, but does not do so frequently, use "step-outs" to allow clients that restrict MFS' ability to select brokers to participate in aggregated trades or for other reasons. In step-out transactions, MFS instructs the broker that executes a transaction to allocate, or step out, a portion of such transaction to the broker to which the client has directed trades. The brokers to which the executing broker has stepped out would then clear and settle the designated portion of the transaction, and the executing broker would clear and settle the remaining portion of the transaction that has not been stepped out. Each broker may receive a commission or brokerage fee with respect to the portion of the transaction that it clears and settles.

Similarly, at the instruction of a client, MFS will trade derivatives only with brokers with which the client has entered into derivatives agreements. This may result in pricing and other economic terms for such derivative transactions that may be less beneficial to the account than those for the same type of transaction entered into for other accounts under a derivatives agreement negotiated by MFS with a counterparty selected by MFS. A client instructing MFS to use the client's pre-negotiated derivatives agreement, rather than allowing MFS to negotiate the agreement, should understand that MFS will be unable to control certain terms or conditions of any transaction entered into under the client's agreement. In addition, limiting trading to only counterparties with which the client has existing derivatives agreements may increase counterparty risk for the client.

Certain Other Circumstances in Which MFS' Brokerage Discretion Is Limited

Aside from client-imposed limitations, there are various other limitations on MFS' counterparty selection. MFS trades only with counterparties that have been approved by the MFS Global Group and with whom it has legally-required or client-requested documentation in place. In some instances, MFS will be limited in its ability to select certain brokers to execute portfolio transactions due to the existence of an affiliated relationship or other regulatory restriction. In certain circumstances, such as a "buy in" for failure to deliver, MFS is not able to select the broker who will transact to cover the failure. For example, if an account sells a security short and is unable to deliver the securities sold short, the broker through whom the account sold short must deliver securities purchased for cash (*i.e.*, effect a "buy in," unless it knows that the account either is in the process of forwarding the securities to the broker or will do so as soon as possible without undue inconvenience or expense). Similarly, there can also be a failure to deliver in a long transaction and a resulting buy in by the broker through whom the securities were sold. If the broker effects a buy in, MFS will be unable to control the trading techniques, methods, venues or any other aspect of the trade used by the broker.

Research and Other Soft Dollar Benefits

The MFS Global Group utilizes a global investment platform built on the principle of close collaboration among members of its investment team, where research and investment ideas are shared. MFS Global Group investment professionals rely on their own internal research in making investment decisions, and, in addition, utilize external research provided by brokers or other research providers to help develop or refine investment ideas. External research is also used to help understand market consensus, sentiment or perception, and identify relative inefficiencies more quickly and effectively.

The MFS Global Group makes decisions on the procurement of external research separately and distinctly from decisions on the selection of brokers that execute transactions for client accounts. However, as permitted by Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"), the MFS Global Group may cause certain clients to pay a broker that provides "brokerage and research services" (as defined in Section 28(e)) an amount of commission for effecting a securities transaction for clients in excess of the amount other brokers would have charged for the transaction if the MFS Global Group determines in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided viewed in terms of the MFS Global Group's overall responsibilities to its clients. The brokerage and research services received may be useful and of value to the MFS Global Group in serving both the accounts that generated the commissions and other clients of the MFS Global Group. Accordingly, not all of the research and brokerage services provided by brokers through which client securities transactions are effected may be used by the MFS Global Group in connection with the client whose account generated the brokerage commissions.

The MFS Global Group has undertaken to bear the costs of external research for all accounts it advises, either by paying for external research out of its own resources, or by voluntarily reimbursing clients from its own resources for excess commissions paid to obtain external research. For accounts subject to a regulatory prohibition on the payment of excess commissions for research, including accounts that are directly or indirectly subject to the Markets in Financial Instruments Directive ("MiFID II") in the European Union ("EU") or U.K. ("MiFID II accounts"), the MFS Global Group will pay for external research out of its own resources. For all other accounts, the MFS Global Group operates client commission arrangements that generate commission "credits" for the purchase of external research from commissions on equity trades in a manner consistent with Section 28(e). Under these arrangements, the MFS Global Group may cause a client to pay commissions in excess of what the broker or other brokers might have charged for certain equity transactions in recognition of brokerage and research services provided by the executing broker. The MFS Global Group has voluntarily undertaken to reimburse clients from its own resources in an amount equal to all commission credits generated under these arrangements.

The research services obtained by the MFS Global Group through the use of equity commission credits may include: access to corporate management; industry conferences; research field trips to visit corporate management and/or to tour manufacturing, production or distribution facilities; statistical, research and other factual information or services such as investment research reports; access to analysts; a small number of expert networks; reports or databases containing corporate, fundamental, technical, and political analyses; ESG-related information; portfolio modeling strategies; and economic research services, such as publications, chart services, and advice from economists concerning macroeconomics information, and analytical investment information about particular industries and corporations.

Through the use of eligible brokerage and research services acquired with commission credits, the MFS Global Group initially avoids the additional expenses that it would incur if it developed comparable information through its own staff or if it purchased such services with its own resources. As a result, clients may pay more for their account transactions in the first instance than if the MFS Global Group caused clients to pay execution only rates. However, because the MFS Global Group has voluntarily undertaken to reimburse clients from its own resources for commission credits generated from client brokerage, the MFS Global Group ultimately assumes the additional expenses that it would incur if it purchased external research with its own resources.

Although the MFS Global Group generally bears the costs of external research, we believe we generally do not pay, and therefore do not reimburse clients with respect to research that is made available by a broker to all of its customers and that the MFS Global Group considers to be of *de minimis* value, or for external research provided by executing brokers in fixed income transactions that incur mark-ups, mark-downs, and other fees rather than commissions. With respect to fixed income, the MFS Global Group believes that executing brokers in fixed income transactions do not charge lower mark-ups, mark-downs, commission equivalents or other fees if clients forego research services. Consequently, the MFS Global Group does not believe it pays higher mark-ups, mark-downs, commission equivalents or other fees to brokers on fixed income transactions than it would if it did not receive any research services from brokers. However, MiFID II generally considers external research to be an inducement and therefore the MFS Global Group pays for certain categories of fixed income research received by MIL UK or MFS Lux out of its own resources.

Allocation of Investment Opportunities, Order Execution and Allocation of Executed Orders

MFS is incentivized to favor different clients or accounts, including, but not limited to, favoring an account that pays a higher asset-based fee rate, an account that pays a performance-based fee, a client with greater overall assets under management or the potential for greater assets under management, accounts invested in investment strategies that are of particular focus for MFS for distribution purposes, accounts believed to be at risk of termination, accounts associated with a particular consultant or financial intermediary whose business MFS wants to retain or from whom MFS wants to win additional business or clients in a particular region or industry in which MFS would like to grow its business. MFS may favor an account by allocating to it greater time and attention, superior investment opportunities or access to limited availability investment opportunities.

MFS and other members of the MFS Global Group owe their clients a fiduciary obligation to put client interests first. Since MFS and the other members of the MFS Global Group manage multiple accounts, it is inevitable that the same investment opportunity may be appropriate for multiple accounts. This creates the potential for MFS to favor one account over another. MFS and the other members of the MFS Global Group have put in place policies and procedures reasonably designed to allocate investment opportunities among the accounts they manage fairly and equitably over time. These policies and procedures are reasonably designed to ensure that they do not favor one account over another over time, but this does not mean that all accounts will be treated identically.

The policies and procedures described in this section do not apply to foreign exchange transactions which are described under the heading "*Foreign Currency Exchange (FX) Transactions*" below, and investment of overnight cash in any accounts. With respect to investment of overnight cash, MFS' allocation of investment opportunity and the amount received on aggregated trades is focused on allocating liquidity fairly and equitably over time. However, in cases of liquidity constraints, MFS may prioritize allocating liquidity to accounts for which investment of cash is part of their investment strategy. Nor do such policies and procedures apply to Institutional Model-Delivery Arrangements. Furthermore, they do not apply to Managed Account Program accounts advised by MFSI, except to the extent a Managed Account Program order is "stepped out." Managed Account Program orders are generally executed by the Managed Account Program sponsor.

Indication of Interest

MFS makes investment decisions for accounts based on the objectives, restrictions, guidelines and risk tolerances of each account. When investment opportunities present themselves, portfolio managers will typically seek to indicate their interest in those opportunities among similarly-managed accounts either (i) *pro rata* based on an account's assets in the case of equity securities; or (ii) in a manner designed to keep the characteristics of those accounts similar in the case of fixed income securities. As a result of this approach, accounts pursuing a similar fixed income investment strategy will often hold different securities from each other given the number of publicly traded fixed income securities, the varying frequency and volume at which a particular fixed income security trades, and the ability to obtain a desired exposure through different securities that share similar characteristics (such as credit, interest rate and duration).

Since the decision regarding how to best indicate for an investment opportunity will typically depend on many factors, it is possible that indications and positions across similar accounts may differ. Relevant factors include, without limitation: an account's investment objective, strategies, restrictions or other instructions; the composition and characteristics of an account; the impact of the purchase relative to achieving desired account characteristics; concentration of positions; minimum denominations; cash availability and expected flows for an account; liquidity; the tax needs of an account; avoiding having an account hold odd-lot or small positions; the availability of other appropriate or substantially similar investment opportunities; risk tolerance; and legal and regulatory restrictions.

The MFS Global Group generally limits aggregate ownership by all accounts that the MFS Global Group manages to a fixed percentage of a single issuer's outstanding voting securities. These limits are based partly on regulatory and/or legal considerations related to substantial shareholdings and partly on investment risk management considerations. The firm's legal department performs a review of certain legal, corporate and regulatory considerations and, if permissible and appropriate, will submit to the MFS Global Group's Investment Management Committee ("IMC") a request for approval to increase the ownership limit. When the maximum level has been reached on an aggregate basis, portfolio managers are not permitted to acquire additional shares (absent the prior approval of the IMC), until aggregate ownership by all accounts falls below the maximum level. Consequently, accounts could be unable to acquire certain investments in which the portfolio manager might wish to invest and in which other accounts have previously invested and continue to hold, which can adversely affect absolute and relative returns.

Execution and Aggregation of Orders

Traders execute orders promptly, fairly and expeditiously consistent with MFS Global Group execution policies and procedures. When executing orders, traders may aggregate multiple orders for the same instrument into a single trade as long as aggregation is unlikely to work to the overall disadvantage of any participating account over time.

Consistent with its obligation to seek to obtain best execution, MFS may break up a single order into a number of smaller orders, including, for example, when MFS has concerns with respect to the liquidity of the security and/or the size of the aggregated trade and the number of accounts participating in the trade. When this occurs, a client could incur additional trading fees and expenses. MFS may, in its sole discretion, accept client instructions to impose minimum transaction amounts on an account on a ''best efforts'' basis in order to manage trading costs and expenses for that account. Instructions of this nature will likely cause the client's order to be traded after any aggregated orders that do not have similar restrictions.

Traders will not aggregate orders for Related Accounts (which include certain accounts that are managed by MFS for the sole benefit of itself or its subsidiaries as well as any trade error account) with orders for client accounts and will trade Related Accounts in a manner that the trader believes will not disadvantage other client accounts. Related Accounts do not include accounts owned by employees or officers of MFS or its subsidiaries, created by MFS to establish a track record for future distribution or accounts seeded by MFS and open for sale to third parties. Additionally, members of the MFS Global Group manage assets for SLF and its subsidiaries (other than the MFS Global Group), and such accounts are not considered to be Related Accounts ("non-Related Accounts"). In cases where non-Related Accounts are participating with other client accounts in a limited opportunity offering, the other client accounts may receive less of the limited opportunity than they would otherwise have received if the non-Related Accounts did not participate. MFS seeks to ensure fairness among these accounts over time through application and monitoring of its allocation policies and procedures.

As described above, MFSI serves as an investment adviser to certain Managed Account Program accounts. Managed Account Program orders are generally executed by the Managed Account Program sponsor, which will result in cases where MFS trades a particular security for client accounts at the same time that Managed Account Program sponsors are trading in the same securities for Managed Account Program accounts advised by MFSI. Managed Account Program sponsors may complete the order(s) for Managed Account Program accounts more quickly or more slowly than MFS or MFSI and may experience higher or lower execution prices. MFSI's arrangements with certain Managed Account Program sponsors of Managed Account Programs for which MFSI places trades allow MFSI the discretion to step out trades, whereas others direct MFSI to place trades with the sponsor or its affiliate, or another third party. MFS and MFSI generally do not aggregate orders for Managed Account Program accounts with other client accounts managed by the MFS Global Group. In cases where such orders are not aggregated, the Managed Account Program accounts may be traded, in the trader's discretion, simultaneously or in rotation with the other MFS Global Group client accounts.

Differences Between Institutional Model-Delivery Arrangements and Other Accounts

As described in Item 10, *Other Financial Industry Activities and Affiliations*, with respect to MFSI's Institutional Model-Delivery Arrangements, as agreed upon by the Institutional Client and MFSI, MFSI releases portfolio model changes on a delay. In some cases, the portfolio model will be released after the orders for the discretionary accounts managed by the MFS Global Group within the same strategy have been fully executed. In other cases, the portfolio model will be released while such discretionary accounts or accounts in other investment strategies are continuing to trade. To the extent the Institutional Model-Delivery Arrangement accounts trade while accounts managed by MFS are trading, MFS and the Institutional Client will compete for the same securities and the accounts managed by MFS may experience higher or lower execution prices than the Institutional Model Delivery Arrangement accounts with respect to the same security.

Allocation of Executed Trades

There are times when MFS or another member of the MFS Global Group cannot obtain a sufficient quantity of an instrument to fill the orders for all accounts participating in an aggregated trade. In those cases, MFS will allocate the amount received as follows:

- For equity securities offered in an initial public offering, oversubscribed secondary offering or subject to an MFS Global Group internal ownership limit ("Limited Offerings"), MFS will allocate the amount received according to standards established by the IMC and documented in procedures approved by the MFS Global Group's Trade Oversight Management Committee ("TOMC"). These procedures will generally provide for *pro rata* allocation based on each participating account's share of relevant assets (as determined by the IMC), subject to adjustments to accommodate minimum thresholds, minimum lot sizes and minimum denominations and other adjustments to facilitate equitable and efficient allocation.
- For trades in equity instruments other than through Limited Offerings and for fixed income instruments, fills of combined orders are allocated among participating accounts *pro rata* based on order size, subject to the minimum denomination and lot size requirements for the instrument.
- For fixed income instruments issued in the new issue market, under certain circumstances, MFS may give priority to certain accounts with state-specific or other restrictive mandates.

MFS may round allocations to meet minimum lot size and minimum denomination requirements for each participating account. MFS may also adjust allocations to satisfy minimum holding thresholds at the account level as established by MFS from time to time to address liquidity or other concerns.

Each account that participates in an aggregated trade will receive the average price for that trade, unless exchange rules prevent such an allocation, and will share the transaction costs (other than costs related to payment for research, if any) *pro rata* based on the account's participation in the transaction. MFS may exclude certain accounts from the allocation of costs relating to the payment of research on a *pro rata* basis if consistent with applicable law (*e.g.*, Section 28(e)). MFS currently excludes MiFID II accounts (as further described above under the heading "*Research and Other Soft Dollar Benefits*") and certain other accounts that request such exclusion.

Trading may reallocate executed trades by adding new or follow-on orders post-execution if the orders are received within a reasonable period of time during the trading day and either of the following two conditions are satisfied: (i) trading reasonably believes that the addition of the orders will not have a material adverse impact on the accounts participating in the original order; or (ii) the additional orders are based on the same event, information or analyst recommendation that prompted the original order, determined in accordance with standards identified periodically by the IMC or TOMC.

The allocation policies and procedures prohibit allocations of Limited Offerings to: (i) Managed Account Program accounts; or (ii) any account for which MFS does not believe that applicable law or the rules or regulations of any governmental or self-regulatory organization would permit such investments.

Post-Trade Date Allocations

MFS may allocate instruments to an account after trade date as long as the reasons for post-trade date allocations are documented and approved in accordance with the allocation policies and procedures. Examples of reasons for post-trade date allocations include, but are not limited to: (i) orders executed while systems necessary to make accurate allocations are unavailable; or (ii) changes to allocations resulting from an Error.

Other Trading Practices

Crossing

Where permitted by law and MFS Global Group policies, MFS may, but is not required to, "cross" opposing trades (*e.g.*, a buy order and a sell order for the same security) between accounts managed by MFS and/or members of the MFS Global Group consistent with MFS' duty to seek to obtain best execution. Consistent both with Section 206 of the Advisers Act and Rule 17a-7 under the 1940 Act, as applicable, the MFS Global Group has adopted policies and procedures governing purchases or sales of securities between eligible accounts managed by members of the MFS Global Group. In engaging in cross trades, MFS may have an incentive to favor one account over another by exchanging securities at a price that is advantageous to the favored account or selling illiquid securities from the favored account to another account. MFS has policies and procedures in place that it believes are reasonably designed to mitigate such incentives. MFS will not execute cross trades where prohibited or materially restricted by agreement or applicable law, including, but not limited to, ERISA and Rules 2a-5 and 17a-7 under the 1940 Act.

Foreign Currency Exchange (FX) Transactions

Each account will be set on MFS' trading system with a single operating currency (which will not necessarily be the same as the reporting currency of the account). Account trades and flows that occur in currencies other than the operating currency will be converted to the operating currency by processing a foreign exchange (FX) transaction.

Foreign income and dividend repatriation FX transactions are executed in order to convert dividends, interest payments and other income received in a currency other than the account's operating currency ("foreign currency") into the account's operating currency. With respect to foreign income and dividend repatriation FX transactions, MFS will direct the client's custodian bank to execute the FX transactions in order to repatriate all income to the operating currency of the account, unless the client requests otherwise.

Securities-related FX transactions are executed in connection with specific purchase and sale transactions in individual securities in order to effect an exchange between the account's operating currency and the foreign currency in which a particular security is denominated. With respect to securities-related FX transactions, clients of MFS may choose to have FX transactions effected either through MFS or through their respective custodian. Where MFS has been given authority to effect securities-related FX transactions for a client, MFS is permitted to execute FX transactions for the account with brokers MFS selects at its discretion for currency management purposes, unless the scope of authority given to MFS by the client enables the client to direct otherwise (*e.g.*, by reason of any client-directed brokerage requirements, any brokerage affiliation issues the client may have and/or any specific approved broker lists the client may have provided to MFS). Generally, transactions for accounts with similar currency needs will be aggregated based on the currencies involved as well as matching trade and settlement date requirements. In situations where MFS encounters offsetting currency needs for accounts at approximately the same time, and where the other details of the needs match, net transactions will be executed among accounts eligible for netting transactions. For example, MFS will not consider accounts subject to ERISA to be eligible to participate in such netting transactions, and, depending on a non-ERISA account's particular restrictions, including, for example, any client-directed brokerage or custodian bank requirements, a non-ERISA account may or may not be eligible to participate in netting transactions. Where the client has chosen to have securities-related FX transactions effected through its custodian, MFS will direct the client's custodian bank to execute securities-related FX transactions (the custodian bank may have different netting practices).

For all accounts (regardless of whether the client has chosen to have FX transactions effected through its custodian or through MFS), the client's custodian bank or a third-party agent will generally process FX transactions related to securities transactions and income and dividend repatriations for transactions in countries that restrict transactions in their currency due to regulatory or foreign exchange controls (*i.e.*, so-called "restricted markets"). MFS will provide the client's custodian bank or third-party agent with FX instructions for all security settlements in such restricted markets on a trade-by-trade basis, which instructions are in turn sent by the custodian bank or third-party agent to its trading desk or local sub-custodian for execution.

For certain MFS Global Funds, certain share-class hedging needs may also be generated and executed by a third-party agent.

For any FX transaction executed through an Institutional Client's custodian (whether for security transaction purposes at the client's direction or foreign income and dividend repatriation purposes as part of MFS' standard process), the client generally negotiates the fees charged by the custodian on these FX transactions, and MFS generally does not evaluate the services provided to the client.

MFS recognizes that FX transactions may positively or negatively affect performance and does not seek to take any investment view on operating currency related FX transactions.

Where permitted and consistent with the investment style for an account and determined to be appropriate for the client, MFS will also execute FX transactions to obtain currency exposure and/or for risk management purposes for the client, depending upon the client account's specific investment strategy and investment guidelines. In these cases, MFS is permitted to execute FX transactions for the account with brokers that MFS selects at its discretion for such purposes, unless directed otherwise by a client. In these cases, MFS will follow the same aggregation and netting practices described above.

Item 13 – Review of Accounts

Internal Reviews of Accounts

MFS monitors client accounts on an on-going basis and performs periodic reviews. Further reviews may also be triggered by changes to account investment strategy or market conditions. Accounts are regularly reviewed from multiple perspectives by multiple groups within the MFS Global Group including the portfolio management, the Operations Department and Compliance teams. Semi-annual risk reviews, led by members of the Investment Risk Management Team, with participation and direction from the IMC, are an integral component of the review process. The IMC, co-chaired by the Chief Investment Risk Officer—Equity and Chief Investment Risk Officer—Fixed Income, and comprised of senior investment professionals, including the Chief Investment Officers and Director of Trading, provides governance and oversight on matters relating to portfolio management, research and trading; the establishment and monitoring of investment policies/procedures; and the monitoring and management of investment risk. MFS could be incentivized to make trading decisions at the end of a reporting period to create the appearance of favorable account performance or to obscure the source of account performance, or to mislead investors about the true strategies engaged in (by way of account holdings) by MFS. MFS believes its practices relating to client account monitoring and reviews mitigate the risk of these incentives.

Client Reporting

Periodic reports (oral, written or both) are provided to clients from time to time in a form mutually agreed with MFS. MFS typically provides clients with both quarterly and monthly written reports. Quarterly reports typically include account commentary, performance returns and attribution, market value, account holdings and transaction details in addition to information on corporate actions. Monthly reports are more concise and typically include performance returns and market value. In addition, as agreed with MFS, customized reporting is available. MFS provides different reports and, subject to its inside information policy and code of ethics (see Item 11, *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading for more information*), may provide different information about its business operations or portfolio investments to different clients or prospective clients. Written reports are delivered via e-mail and also can be retrieved directly and securely by clients from MFS' website. MFS also typically provides a similar range of information orally to clients through in-person meetings, virtual meetings, conference calls, webinars and client conferences. As discussed above, MFS typically bases its performance reporting upon its own valuation of account assets, as agreed to with a client. In presenting its performance, MFS is incentivized to overstate performance by overvaluing account holdings. For more information regarding the MFS Global Group's valuation procedures, which it believes are reasonably designed to prevent inaccurate valuations, please see Item 5, *Fees and Compensation*.

Reports can be sent by a member of the MFS Global Group or a vendor on behalf of MFS.

Annual audited financial statements are prepared for each MFS Private Fund, and the fund and its investors receive copies of such statements within 120 days following the fund's fiscal year end.

Item 14 – Client Referrals and Other Compensation

Many of MFS' clients retain investment consultants, OCIO providers or other similar service providers (for purposes of this section, "investment consultants") to assist with the selection of investment advisers such as MFS. Typically, such investment consultants are compensated by the client, not MFS. However, MFS could also have its own relationship with a client's investment consultant in connection with services provided by the consultant to MFS, including, without limitation, competitive universe databases, manager performance analytics, investment forums, and business or product consulting engagements and MFS pays such investment consultants for these services and believes that the payments it makes to such investment consultants are fair in relation to the services purchased. Such payments are not intended by MFS to, and do not, compensate an investment consultant for recommending, or induce such investment consultants to recommend, MFS' services or products to the clients of the investment consultants. In addition, MFS provides money management services to certain investment consultants for their own account that could (but are in no event required to) recommend MFS Global Group services or products to one or more of their clients. MFS seeks to maintain arm's-length relationships when receiving or providing services to investment consultants. Upon an Institutional Client's request, MFS can provide it with information concerning the nature of MFS' relationship with an Institutional Client's investment consultant; however, MFS generally relies on the investment consultant to make the appropriate disclosures to its clients of any conflict of interest it may have as a result of its relationship with MFS or another member of the MFS Global Group.

To the extent that MFS enters into solicitation or referral arrangements with a third party to solicit or refer new clients to MFS, it intends to comply with the disclosure, oversight, and disqualification requirements applicable to such relationships under applicable laws and regulations. With respect to its business outside of the U.S., MFS has in the past and may from time to time in the future use local companies in certain jurisdictions for a fee to assist it in obtaining new clients. MFS may be required to pay fees to certain third-party agents that have been retained by clients to assist the client in the selection of investment advisers. Although the third-party agent has been retained by the client, the obligation to pay a referral fee becomes the responsibility of the investment adviser in the event that the investment adviser enters into an investment advisory agreement with the client.

Item 15 – Custody

MFS generally does not maintain custody of client funds or securities because it does not have possession or have authority to obtain possession of such funds or securities. Client funds and securities managed by MFS are held on the client's behalf with third-party custodians. Separate account clients are responsible for arranging custodial services with respect to their accounts managed by MFS, including negotiating custody agreements and fees and opening custodial accounts. However, MFS may be deemed to have custody under the Advisers Act over certain MFS Global Group-sponsored offshore funds and the MFS Private Funds. Investors in such funds will receive audited financial statements annually, within 120 days following the fund's fiscal year end.

Clients should review any statements received from MFS or a custodian carefully, and to the extent they receive statements from both MFS and a custodian, they are urged to compare such statements carefully.

Item 16 – Investment Discretion

As discussed in Item 4, *Advisory Business*, MFS is generally retained on a discretionary basis to manage client assets consistent with the investment strategy or mandate. Before assuming discretionary authority, MFS requires a direct client to enter into a written investment advisory agreement with MFS. Any limitations on MFS' discretion in the case of a particular client will be agreed upon in advance and set forth in the investment advisory agreement between MFS and such client or other governing documents. Such limitations may include reasonable restrictions on investing in certain securities, derivatives or types of securities or derivatives, as described in Item 4, *Advisory Business*, and client-directed brokerage and other limitations on MFS' authority to freely select brokers to execute client transactions, as described in Item 12, *Brokerage Practices*. Clients not contracted directly with MFS should refer to their investment advisory agreement or applicable Offering Documents for a description of any such limitations.

Limitations on MFS' discretion will likely result in an account experiencing different performance returns (higher or lower) than other similar accounts in the same investment strategy.

In order for MFS to fully exercise its discretionary investment management authority, MFS asks Institutional Clients to execute and deliver any and all agreements, instruments, contracts, assignments, bond powers, stock powers, transfer instructions, receipts, waivers, consents and other documents, including a limited power of attorney, provide any and all information and perform any and all such acts, as MFS may deem necessary or reasonably desirable (collectively, "Necessary Actions"). If an Institutional Client fails to perform any Necessary Action, MFS may be unable to fully exercise its discretionary investment management authority and, consequently, the performance of the client's account may differ from the performance of similarly-managed accounts of MFS with respect to which all Necessary Actions have been fully performed.

In addition, the IMC, which is comprised of members of senior management and representatives of the investment department, meets on a regular basis and sets internal investment risk limits and is involved in setting direction in investment related policies and procedures. These policies and procedures govern, among other things, the exercise of MFS' discretionary authority.

<u>Unsupervised Assets</u>

From time to time, Institutional Clients may leave in an Institutional Account Unsupervised Assets. Unsupervised Assets may be included by MFS in calculating its advisory fee. MFS may request that the Institutional Client confirm in writing the identity of any Unsupervised Assets. Unless otherwise agreed to with the Institutional Client, MFS will not provide investment advisory services of any kind with regard to Unsupervised Assets. MFS will have no duty, responsibility or liability with respect to the Unsupervised Assets and will not take the Unsupervised Assets into consideration when managing the portion of the account for which it provides investment advice.

Item 17 – Voting Client Securities

The MFS Global Group has adopted the MFS Proxy Voting Policies and Procedures ("Proxy Voting Policies") with respect to securities owned by the clients for which it serves as investment adviser and has the power to vote proxies. The MFS Global Group's policy is that proxy voting decisions are made in what it believes at the time to be the best long-term economic interests of those clients for which it has been delegated voting authority to vote on their behalf, and not in the interest of any other party or in the MFS Global Group's own corporate interests, including its institutional relationships or the distribution of MFS Fund shares. Based on the overall principle that all votes cast by the MFS Global Group on behalf of its clients are in what the MFS Global Group believes to be the best long-term economic interests of such clients, the Proxy Voting Policies include proxy voting guidelines that govern how the MFS Global Group generally votes on specific matters presented for shareholder vote, including, without limitation, the election of directors, proxy contests, advisory votes on executive compensation and proposals with respect to environmental, social and governance matters.

The MFS Global Group has retained a proxy administrator to provide certain proxy voting administrative services. Subject to monitoring by and at the direction of the MFS Global Group, the proxy administrator automatically votes on matters that do not require the particular exercise of discretion or judgment under the Proxy Voting Policies as determined by the MFS Global Group. In these circumstances, based on the MFS Global Group's prior direction, if the proxy administrator expects to vote against management with respect to a proxy matter and the MFS Global Group becomes aware that the issuer has filed additional solicitation materials sufficiently in advance of the deadline for casting a vote at the meeting, the MFS Global Group will consider such information when casting its vote. With respect to proxy matters that require the particular exercise of discretion or judgment, the MFS Proxy Voting Committee or its representatives considers and votes on those proxy matters. In analyzing all proxy matters, the MFS Global Group uses a variety of materials and information, including, but not limited to, the issuer's proxy statement and other proxy solicitation materials (including supplemental materials), our own internal research and research and recommendations provided by other third parties (including research of the proxy administrator).

The MFS Global Group also generally seeks a single vote position on the same matter when securities of an issuer are held by multiple accounts. However, there are circumstances where one client's securities are voted differently from another client's securities. One reason why the MFS Global Group could vote differently on the same matter is if it has received explicit voting instructions from a client to vote differently on behalf of its account. Likewise, the MFS Global Group could vote differently if the portfolio management team responsible for a particular client account believes that a different voting instruction is in the best long-term economic interest of such account.

The Proxy Voting Policies are intended to address potential material conflicts of interest on the part of the MFS Global Group that are likely to arise in connection with the voting of proxies on behalf of its clients. If such potential material conflicts of interest do arise, the MFS Global Group will analyze and document them and will ultimately vote the relevant proxies in what the MFS Global Group believes to be the best long-term economic interests of the clients whose securities it is voting. The MFS Proxy Voting Committee is responsible for monitoring and client reporting with respect to such potential material conflicts of interest. A discussion on conflicts of interest related to the MFS Global Group's voting of proxies can be found within the Proxy Voting Policies.

The MFS Global Group will furnish a copy of the Proxy Voting Policies to any client upon such client's request. A client can additionally request at any time a record of all votes cast for its account. The record reflects the proxy issues that the MFS Global Group voted for the client during the reporting period, and the position taken with respect to each issue. A client can also request a report identifying any situations in which the MFS Global Group may not have voted in accordance with specific guidelines of its proxy voting policies and procedures with respect to the client's account.

Item 18 – Financial Information

Not Applicable.

Appendix A – Material Risk Factors

It is not always possible, and the discussion herein does not purport, to identify and describe all risks to which an account may be subject. However, set forth below in alphabetical order is a general description of certain material investment risk factors or other risks inherent to accounts to which MFS provides advisory, sub-advisory or other services. These risk factors apply to investments across a variety of investment strategies as indicated in the chart below. However, whether the risk factors set forth below are material to a specific account in any investment strategy will depend upon, among other things, the investment vehicle and the specific investment guidelines and restrictions applicable to that account. The significance of any specific risk to an account in an investment strategy will vary over time depending on the composition of the account's portfolio, market conditions and other factors. Additionally, a risk factor could still be a relevant or material risk to a particular investment strategy even if it is not listed below as a principal risk of such investment strategy. Investors in pooled investment vehicles advised or sub-advised by the MFS Global Group should note that the pooled investment vehicle (including an MFS Fund) will contain a more complete description of the risk factors to which the vehicle is subject in its Offering Documents and the discussion below is qualified in its entirety by reference to the relevant Offering Document(s) and is not intended to describe risks specific to the type of investment vehicle, (e.g., risks associated with the creation or redemption of ETF shares or risks associated with shares of the fund being publicly traded, including trading at a premium or discount to the fund's net asset value). Investors should review these Offering Documents carefully and consider whether the risks to which the vehicle is subject are appropriate to the investor's circumstances. Depending upon the specific investment guidelines and restrictions applicable to any particular account in any investment strategy, these risk factors may or may not be material to that specific account. Investors are urged to ask questions regarding any risk factors applicable to their account.

		Investment Strategies (continued on page A-3)																
Risks (continued on page A-3)	*Asia Equity ex Japan*	*Asset Allocation-Fund of Funds (U.S.)*	*Balanced*	*Blended Research Emerging Markets Equity*	*Blended Research Equity Income*	*Blended Research European Equity*	*Blended Research Global Equity*	*Blended Research Global High Dividend Equity*	*Blended Research International Equity*	*Blended Research Large Cap Growth*	*Blended Research Large Cap Value*	*Blended Research Mid Cap Equity*	*Blended Research Small Cap Equity*	*Blended Research U.S. Core Equity*	*Charter Income Trust Closed End*	*Commodity Strategy*	*Contrarian Capital Equity*	*Contrarian Value Equity*	*Core Equity*
Allocation Risk – Commodities																✓			
Allocation Risk		✓																	
Asia Risk	✓																		
Commodity-Related Investments Risk		✓														✓			
Company-Specific Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓
Counterparty and Third-Party Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk		✓	✓												✓	✓	✓	✓	
Credit and Market Risk																			
Currency Risk	✓	✓		✓		✓	✓	✓	✓						✓		✓	✓	
Debt Market Risk		✓	✓												✓	✓	✓	✓	
Derivatives Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Markets Risk	✓	✓		✓		✓	✓	✓	✓						✓		✓	✓	
Equity Market Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓
European Market Risk						✓													
Focus Risk – Industry, Sector, Country, and Region Focus	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Focus Risk – Country and Region Focus																✓			
Focus Risk –Municipal Mandates																			
Foreign Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Frequent Trading Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Growth Company Risk		✓								✓									

		Investment Strategies (continued from page A-2)																	
Risks (continued from page A-2)	*Asia Equity ex Japan*	*Asset Allocation-Fund of Funds (U.S.)*	*Balanced*	*Blended Research Emerging Markets Equity*	*Blended Research Equity Income*	*Blended Research European Equity*	*Blended Research Global Equity*	*Blended Research Global High Dividend Equity*	*Blended Research International Equity*	*Blended Research Large Cap Growth*	*Blended Research Large Cap Value*	*Blended Research Mid Cap Equity*	*Blended Research Small Cap Equity*	*Blended Research U.S. Core Equity*	*Charter Income Trust Closed End*	*Commodity Strategy*	*Contrarian Capital Equity*	*Contrarian Value Equity*	*Core Equity*
Inflation-Adjusted Debt Instruments Risk		✓																	
Infrastructure Concentration Risk																			
Interest Rate Risk		✓	✓												✓	✓	✓	✓	
Interest Rate Risk – Money Market																			
Intrinsic Value Risk		✓															✓	✓	
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓		✓												✓		✓	✓	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓			
Investment Strategy Risk – Tactical Asset Allocation																			
Investment Strategy Risk – Blended Research Strategy					✓			✓											
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy				✓		✓	✓		✓	✓	✓	✓	✓	✓					
Investment Strategy Risk – Low Volatility Strategy																			
Issuer Focus Risk	✓									✓							✓	✓	
Japan Risk																			
Large Shareholder Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leveraging Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓

		Investment Strategies (continued from page A-3)																	
Risks (continued from page A-3)	Asia Equity ex Japan	Asset Allocation-Fund of Funds (U.S.)	Balanced	Blended Research Emerging Markets Equity	Blended Research Equity Income	Blended Research European Equity	Blended Research Global Equity	Blended Research Global High Dividend Equity	Blended Research International Equity	Blended Research Large Cap Growth	Blended Research Large Cap Value	Blended Research Mid Cap Equity	Blended Research Small Cap Equity	Blended Research U.S. Core Equity	Charter Income Trust Closed End	Commodity Strategy	Contrarian Capital Equity	Contrarian Value Equity	Core Equity
Leveraging Risk – Closed End Funds															✓				
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Managed Distribution Plan Risk															✓				
Market Discount/Premium Risk															✓				
Mid Cap Risk												✓					✓		
Municipal Risk		✓																	
Prepayment/Extension Risk		✓	✓												✓	✓			
Real Estate-Related Investment Risk		✓			✓			✓			✓	✓	✓						
Redemption Risk																			
Small to Medium Cap REIT Risk																			
Short Sales Risk																			
Small Cap Risk													✓						
Small to Medium Cap Company Risk																			
Technology Concentration Risk																			
Temporary Defensive Strategy Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tender Option Bond Risk																			
Underlying Funds Risk		✓																	
Utilities Concentration Risk																			
Value Company Risk		✓	✓								✓								
When-Issued, Delayed Delivery and Forward Commitment Risk		✓	✓																

Risks (continued on page A-6)	Core Plus Fixed Income	Diversified Income	Emerging Markets Debt	Emerging Markets Equity	Emerging Markets Equity Research	Emerging Markets Local Currency Debt	Euro Credit	European Core Equity	European Equity ex U.K.	European Research Equity	European Smaller Companies	European Value	Global Aggregate Opportunistic Fixed Income	Global Alternative Strategy	Global Balanced	Global Concentrated Equity	Global Credit	Global Equity	Global Flexible Multi-Asset	Global Growth Equity	Global High Yield
	Investment Strategies (continued on page A-6)																				
Allocation Risk – Commodities																			✓		
Allocation Risk		✓												✓							
Asia Risk																					
Commodity-Related Investments Risk																			✓		
Company-Specific Risk		✓		✓	✓			✓	✓	✓	✓	✓		✓	✓	✓		✓		✓	
Counterparty and Third-Party Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk	✓	✓	✓			✓	✓						✓	✓	✓		✓				✓
Credit and Market Risk																					
Currency Risk		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Debt Market Risk	✓	✓	✓			✓	✓						✓	✓	✓		✓		✓		✓
Derivatives Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Markets Risk		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Equity Market Risk		✓		✓	✓			✓	✓	✓	✓	✓		✓	✓	✓		✓	✓	✓	
European Market Risk							✓	✓	✓	✓	✓	✓									
Focus Risk – Industry, Sector, Country, and Region Focus	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Focus Risk – Country and Region Focus																					
Focus Risk –Municipal Mandates																					
Foreign Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Frequent Trading Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Growth Company Risk																			✓	✓	

		Investment Strategies (continued from page A-5)																			
Risks (continued from page A-5)	*Core Plus Fixed Income*	*Diversified Income*	*Emerging Markets Debt*	*Emerging Markets Equity*	*Emerging Markets Equity Research*	*Emerging Markets Local Currency Debt*	*Euro Credit*	*European Core Equity*	*European Equity ex U.K.*	*European Research Equity*	*European Smaller Companies*	*European Value*	*Global Aggregate Opportunistic Fixed Income*	*Global Alternative Strategy*	*Global Balanced*	*Global Concentrated Equity*	*Global Credit*	*Global Equity*	*Global Flexible Multi-Asset*	*Global Growth Equity*	*Global High Yield*
Inflation-Adjusted Debt Instruments Risk						✓															
Infrastructure Concentration Risk																					
Interest Rate Risk	✓	✓	✓			✓	✓						✓	✓	✓		✓				✓
Interest Rate Risk – Money Market																					
Intrinsic Value Risk												✓									
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)		✓												✓	✓						
Investment Strategy Risk – Tactical Asset Allocation														✓							
Investment Strategy Risk – Blended Research Strategy																					
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy																					
Investment Strategy Risk – Low Volatility Strategy																					
Issuer Focus Risk				✓	✓	✓			✓			✓				✓					
Japan Risk																					
Large Shareholder Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leveraging Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

	Investment Strategies (continued from page A-6)																				
Risks (continued from page A-6)	*Core Plus Fixed Income*	*Diversified Income*	*Emerging Markets Debt*	*Emerging Markets Equity*	*Emerging Markets Equity Research*	*Emerging Markets Local Currency Debt*	*Euro Credit*	*European Core Equity*	*European Equity ex U.K.*	*European Research Equity*	*European Smaller Companies*	*European Value*	*Global Aggregate Opportunistic Fixed Income*	*Global Alternative Strategy*	*Global Balanced*	*Global Concentrated Equity*	*Global Credit*	*Global Equity*	*Global Flexible Multi-Asset*	*Global Growth Equity*	*Global High Yield*
Leveraging Risk – Closed End Funds																					
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Managed Distribution Plan Risk																					
Market Discount/Premium Risk																					
Mid Cap Risk																					
Municipal Risk	✓																				
Prepayment/Extension Risk	✓	✓					✓						✓	✓	✓				✓		✓
Real Estate-Related Investment Risk		✓										✓									
Redemption Risk																					
Small to Medium Cap REIT Risk																					
Short Sales Risk																					
Small Cap Risk											✓										
Small to Medium Cap Company Risk														✓							
Technology Concentration Risk																					
Temporary Defensive Strategy Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tender Option Bond Risk																					
Underlying Funds Risk																			✓		
Utilities Concentration Risk																					
Value Company Risk												✓			✓				✓		
When-Issued, Delayed Delivery and Forward Commitment Risk	✓	✓																			

Risks (continued on page A-9)	Investment Strategies (continued on page A-9)																			
	Global Inflation-Adjusted Fixed Income	*Global Infrastructure*	*Global Intrinsic Value*	*Global Real Estate*	*Global Research*	*Global Research Focused*	*Global Small Mid Cap*	*Global Sovereign Fixed Income*	*Global Strategic Equity*	*Global Tactical Asset Allocation*	*Global Value*	*Growth Equity*	*Intermediate High Income Closed End*	*Intermediate Income FI Closed End*	*International Concentrated Equity*	*International Diversification*	*International Equity*	*International Growth*	*International Intrinsic Value*	*International Large Cap Value*
Allocation Risk – Commodities																				
Allocation Risk										✓						✓				
Asia Risk																				
Commodity-Related Investments Risk																				
Company-Specific Risk		✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Counterparty and Third-Party Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk	✓							✓		✓			✓	✓						
Credit and Market Risk																				
Currency Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	✓	✓	✓	✓
Debt Market Risk	✓							✓		✓			✓	✓						
Derivatives Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Markets Risk		✓	✓	✓	✓	✓	✓		✓	✓	✓				✓	✓	✓	✓	✓	✓
Equity Market Risk		✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
European Market Risk																				
Focus Risk – Industry, Sector, Country, and Region Focus		✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Focus Risk – Country and Region Focus	✓							✓												
Focus Risk –Municipal Mandates																				
Foreign Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Frequent Trading Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Growth Company Risk									✓			✓				✓		✓		

	Investment Strategies (continued from page A-8)																			
Risks (continued from page A-8)	Global Inflation-Adjusted Fixed Income	Global Infrastructure	Global Intrinsic Value	Global Real Estate	Global Research	Global Research Focused	Global Small Mid Cap	Global Sovereign Fixed Income	Global Strategic Equity	Global Tactical Asset Allocation	Global Value	Growth Equity	Intermediate High Income Closed End	Intermediate Income FI Closed End	International Concentrated Equity	International Diversification	International Equity	International Growth	International Intrinsic Value	International Large Cap Value
Inflation-Adjusted Debt Instruments Risk	✓							✓												
Infrastructure Concentration Risk		✓																		
Interest Rate Risk	✓							✓		✓			✓	✓						
Interest Rate Risk – Money Market																				
Intrinsic Value Risk			✓													✓			✓	
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)										✓										
Investment Strategy Risk – Tactical Asset Allocation										✓										
Investment Strategy Risk – Blended Research Strategy																				
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy																				
Investment Strategy Risk – Low Volatility Strategy																				
Issuer Focus Risk	✓	✓		✓		✓		✓	✓			✓		✓	✓					
Japan Risk																				
Large Shareholder Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leveraging Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓

	Investment Strategies (continued from page A-9)																			
Risks (continued from page A-9)	*Global Inflation-Adjusted Fixed Income*	*Global Infrastructure*	*Global Intrinsic Value*	*Global Real Estate*	*Global Research*	*Global Research Focused*	*Global Small Mid Cap*	*Global Sovereign Fixed Income*	*Global Strategic Equity*	*Global Tactical Asset Allocation*	*Global Value*	*Growth Equity*	*Intermediate High Income Closed End*	*Intermediate Income FI Closed End*	*International Concentrated Equity*	*International Diversification*	*International Equity*	*International Growth*	*International Intrinsic Value*	*International Large Cap Value*
Leveraging Risk – Closed End Funds													✓	✓						
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Managed Distribution Plan Risk													✓	✓						
Market Discount/Premium Risk													✓	✓						
Mid Cap Risk																				
Municipal Risk														✓						
Prepayment/Extension Risk								✓		✓			✓	✓						
Real Estate-Related Investment Risk		✓		✓			✓													
Redemption Risk																				
Small to Medium Cap REIT Risk				✓																
Short Sales Risk																				
Small Cap Risk																				
Small to Medium Cap Company Risk							✓													
Technology Concentration Risk																				
Temporary Defensive Strategy Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tender Option Bond Risk																				
Underlying Funds Risk																✓				
Utilities Concentration Risk																				
Value Company Risk										✓	✓					✓				✓
When-Issued, Delayed Delivery and Forward Commitment Risk																				

	Investment Strategies (continued on page A-12)																			
Risks (continued on page A-12)	*International Research*	*International Small Mid Cap*	*Investment Grade Municipal Trust Closed End*	*Japan Equity*	*Large Cap Growth*	*Large Cap Growth Concentrated*	*Large Cap Value*	*Lifetime/Target Date*	*Limited Maturity*	*Low Volatility Global Equity*	*Low Volatility U.S. Equity*	*Managed Wealth*	*Mid Cap Growth*	*Mid Cap Value*	*Money Market*	*Multimarket Income Trust Closed End*	*Muni Fixed Income Closed End*	*Municipal High Yield*	*Municipal Intermediate*	*Municipal Plus*
Allocation Risk – Commodities																				
Allocation Risk								✓				✓								
Asia Risk																				
Commodity-Related Investments Risk								✓												
Company-Specific Risk	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓				
Counterparty and Third-Party Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk			✓					✓	✓			✓				✓	✓	✓	✓	✓
Credit and Market Risk															✓					
Currency Risk	✓	✓		✓				✓		✓		✓				✓				
Debt Market Risk			✓					✓	✓			✓				✓	✓	✓	✓	✓
Derivatives Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Emerging Markets Risk	✓	✓						✓		✓		✓				✓				
Equity Market Risk	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓				
European Market Risk																				
Focus Risk – Industry, Sector, Country, and Region Focus	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓				
Focus Risk – Country and Region Focus																				
Focus Risk –Municipal Mandates			✓														✓	✓	✓	✓
Foreign Risk	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓				
Frequent Trading Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Growth Company Risk		✓			✓	✓		✓				✓	✓							

	Investment Strategies (continued from page A-11)																			
Risks (continued from page A-11)	*International Research*	*International Small Mid Cap*	*Investment Grade Municipal Trust Closed End*	*Japan Equity*	*Large Cap Growth*	*Large Cap Growth Concentrated*	*Large Cap Value*	*Lifetime/Target Date*	*Limited Maturity*	*Low Volatility Global Equity*	*Low Volatility U.S. Equity*	*Managed Wealth*	*Mid Cap Growth*	*Mid Cap Value*	*Money Market*	*Multimarket Income Trust Closed End*	*Muni Fixed Income Closed End*	*Municipal High Yield*	*Municipal Intermediate*	*Municipal Plus*
Inflation-Adjusted Debt Instruments Risk								✓												
Infrastructure Concentration Risk																				
Interest Rate Risk			✓					✓	✓			✓				✓	✓	✓	✓	✓
Interest Rate Risk – Money Market															✓					
Intrinsic Value Risk								✓												
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓	✓	✓	✓	✓	✓	✓		✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)								✓		✓	✓									
Investment Strategy Risk – Tactical Asset Allocation												✓								
Investment Strategy Risk – Blended Research Strategy																				
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy																				
Investment Strategy Risk – Low Volatility Strategy										✓	✓									
Issuer Focus Risk			✓	✓	✓	✓									✓		✓			
Japan Risk	✓			✓																
Large Shareholder Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leveraging Risk	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	✓

	Investment Strategies (continued from page A-12)																			
Risks (continued from page A-12)	*International Research*	*International Small Mid Cap*	*Investment Grade Municipal Trust Closed End*	*Japan Equity*	*Large Cap Growth*	*Large Cap Growth Concentrated*	*Large Cap Value*	*Lifetime/Target Date*	*Limited Maturity*	*Low Volatility Global Equity*	*Low Volatility U.S. Equity*	*Managed Wealth*	*Mid Cap Growth*	*Mid Cap Value*	*Money Market*	*Multimarket Income Trust Closed End*	*Muni Fixed Income Closed End*	*Municipal High Yield*	*Municipal Intermediate*	*Municipal Plus*
Leveraging Risk – Closed End Funds			✓													✓	✓			
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Managed Distribution Plan Risk																✓				
Market Discount/Premium Risk			✓													✓	✓			
Mid Cap Risk													✓	✓						
Municipal Risk			✓														✓	✓	✓	✓
Prepayment/Extension Risk			✓					✓	✓							✓	✓	✓	✓	✓
Real Estate-Related Investment Risk								✓		✓	✓			✓						
Redemption Risk															✓					
Small to Medium Cap REIT Risk																				
Short Sales Risk																				
Small Cap Risk																				
Small to Medium Cap Company Risk		✓																		
Technology Concentration Risk					✓															
Temporary Defensive Strategy Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tender Option Bond Risk			✓														✓			
Underlying Funds Risk								✓				✓								
Utilities Concentration Risk																				
Value Company Risk							✓	✓				✓		✓						
When-Issued, Delayed Delivery and Forward Commitment Risk								✓												

Risks (continued on page A-15)	Investment Strategies (continued on page A-15)																			
	Municipal Short-Intermediate	*Municipal State*	*Opportunistic Fixed Income*	*Prudent Capital*	*Prudent Wealth*	*Research Equity/Industry Neutral*	*Research U.S. Equity*	*Small Cap Growth*	*Small Cap Value*	*Technology*	*U.K. Equity*	*U.S. Core Fixed Income*	*U.S. Core High Yield*	*U.S. Credit*	*U.S. Government Fixed Income*	*U.S. Government Fixed Income Closed End*	*U.S. Inflation Adjusted Fixed Income*	*U.S. Intrinsic Value*	*U.S. Real Estate*	*U. S. Taxable Municipal*
Allocation Risk – Commodities																				
Allocation Risk				✓	✓															
Asia Risk																				
Commodity-Related Investments Risk																				
Company-Specific Risk				✓	✓	✓	✓	✓	✓	✓	✓							✓	✓	
Counterparty and Third-Party Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk	✓	✓	✓	✓	✓							✓	✓	✓	✓	✓	✓			✓
Credit and Market Risk																				
Currency Risk			✓	✓	✓						✓					✓				
Debt Market Risk	✓	✓	✓	✓	✓							✓	✓	✓	✓	✓	✓			✓
Derivatives Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Markets Risk			✓	✓	✓											✓				
Equity Market Risk				✓	✓	✓	✓	✓	✓	✓	✓							✓	✓	
European Market Risk											✓									
Focus Risk – Industry, Sector, Country, and Region Focus			✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓				✓	✓	
Focus Risk – Country and Region Focus										✓					✓	✓	✓			
Focus Risk –Municipal Mandates	✓	✓																		✓
Foreign Risk			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Frequent Trading Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Growth Company Risk								✓		✓										

	Investment Strategies (continued from page A-14)																			
Risks (continued from page A-14)	*Municipal Short-Intermediate*	*Municipal State*	*Opportunistic Fixed Income*	*Prudent Capital*	*Prudent Wealth*	*Research Equity/Industry Neutral*	*Research U.S. Equity*	*Small Cap Growth*	*Small Cap Value*	*Technology*	*U.K. Equity*	*U.S. Core Fixed Income*	*U.S. Core High Yield*	*U.S. Credit*	*U.S. Government Fixed Income*	*U.S. Government Fixed Income Closed End*	*U.S. Inflation Adjusted Fixed Income*	*U.S. Intrinsic Value*	*U.S. Real Estate*	*U. S. Taxable Municipal*
Inflation-Adjusted Debt Instruments Risk															✓	✓	✓			
Infrastructure Concentration Risk																				
Interest Rate Risk	✓	✓	✓	✓	✓							✓	✓	✓	✓	✓	✓			✓
Interest Rate Risk – Money Market																				
Intrinsic Value Risk																		✓		
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)																				
Investment Strategy Risk – Tactical Asset Allocation				✓	✓															
Investment Strategy Risk – Blended Research Strategy																				
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy																				
Investment Strategy Risk – Low Volatility Strategy																				
Issuer Focus Risk		✓		✓	✓					✓	✓				✓	✓	✓		✓	
Japan Risk																				
Large Shareholder Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leveraging Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓

	Investment Strategies (continued from page A-15)																			
Risks (continued from page A-15)	*Municipal Short-Intermediate*	*Municipal State*	*Opportunistic Fixed Income*	*Prudent Capital*	*Prudent Wealth*	*Research Equity/Industry Neutral*	*Research U.S. Equity*	*Small Cap Growth*	*Small Cap Value*	*Technology*	*U.K. Equity*	*U.S. Core Fixed Income*	*U.S. Core High Yield*	*U.S. Credit*	*U.S. Government Fixed Income*	*U.S. Government Fixed Income Closed End*	*U.S. Inflation Adjusted Fixed Income*	*U.S. Intrinsic Value*	*U.S. Real Estate*	*U. S. Taxable Municipal*
Leveraging Risk – Closed End Funds																✓				
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Managed Distribution Plan Risk																✓				
Market Discount/Premium Risk																✓				
Mid Cap Risk																				
Municipal Risk	✓	✓																		✓
Prepayment/Extension Risk	✓	✓	✓	✓	✓							✓	✓	✓	✓	✓	✓			✓
Real Estate-Related Investment Risk									✓										✓	
Redemption Risk																				
Small to Medium Cap REIT Risk																			✓	
Short Sales Risk										✓										
Small Cap Risk								✓	✓											
Small to Medium Cap Company Risk																				
Technology Concentration Risk										✓										
Temporary Defensive Strategy Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tender Option Bond Risk																				
Underlying Funds Risk																				
Utilities Concentration Risk																				
Value Company Risk									✓											
When-Issued, Delayed Delivery and Forward Commitment Risk			✓									✓			✓	✓				

	Investment Strategies (continued on page A-18)
Risks (continued on page A-18)	Utilities
Allocation Risk – Commodities	
Allocation Risk	
Asia Risk	
Commodity-Related Investments Risk	
Company-Specific Risk	✓
Counterparty and Third-Party Risk	✓
Credit Risk	✓
Credit and Market Risk	
Currency Risk	✓
Debt Market Risk	✓
Derivatives Risk	✓
Emerging Markets Risk	✓
Equity Market Risk	✓
European Market Risk	
Focus Risk – Industry, Sector, Country, and Region Focus	
Focus Risk – Country and Region Focus	✓
Focus Risk –Municipal Mandates	
Foreign Risk	✓
Frequent Trading Risk	✓
Growth Company Risk	

	Investment Strategies (continued from page A-17)
Risks (continued from page A-17)	*Utilities*
Inflation-Adjusted Debt Instruments Risk	
Infrastructure Concentration Risk	
Interest Rate Risk	✓
Interest Rate Risk – Money Market	
Intrinsic Value Risk	
Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)	✓
Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)	
Investment Strategy Risk – Tactical Asset Allocation	
Investment Strategy Risk – Blended Research Strategy	
Investment Strategy Risk – Blended Research Predicted Tracking Error Strategy	
Investment Strategy Risk – Low Volatility Strategy	
Issuer Focus Risk	✓
Japan Risk	
Large Shareholder Risk	✓
Leveraging Risk	✓

Risks (continued from page A-18)	Investment Strategies (continued from page A-18) Utilities
Leveraging Risk – Closed End Funds	
Liquidity Risk	✓
Managed Distribution Plan Risk	
Market Discount/Premium Risk	
Mid Cap Risk	
Municipal Risk	
Prepayment/Extension Risk	
Real Estate-Related Investment Risk	
Redemption Risk	
Small to Medium Cap REIT Risk	
Short Sales Risk	
Small Cap Risk	
Small to Medium Cap Company Risk	
Technology Concentration Risk	
Temporary Defensive Strategy Risk	✓
Tender Option Bond Risk	
Underlying Funds Risk	
Utilities Concentration Risk	✓
Value Company Risk	
When-Issued, Delayed Delivery and Forward Commitment Risk	

Allocation Risk – Commodities

MFS' assessment of the risk/return potential of commodity sectors and the resulting allocation among commodity sectors may not produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests.

Allocation Risk

MFS' assessment of the risk/return potential of asset classes, and the resulting allocation among asset classes, may not produce the intended results and/or can lead to an investment focus that results in the account underperforming other funds with similar investment strategies and/or underperforming the markets in which the account invests.

Asia Risk

The economies of countries in Asia are in all stages of development. Many of the economies of countries in Asia are considered emerging market economies. Companies in Asia can be subject to risks such as nationalization, new or inconsistent government restrictions or other forms of government interference, and certain Asian economies rely on only a few industries or commodities. Economic events in one country or group of countries within the Asian region can have significant economic effects on the entire Asian region because the economies of the region are intertwined. Furthermore, many of the Asian economies are often characterized by high levels of inflation, undeveloped financial service sectors, frequent currency fluctuations, devaluations, or restrictions, unstable employment rates, political and social instability and less efficient markets. Certain countries in Asia restrict direct foreign investment in their securities markets, and investments in securities traded on those markets may be made, if at all, only indirectly. In addition, some Asian countries may impose limitations on the amount of investments that may be made by foreign investors and the repatriation of proceeds from those investments. The economies of many Asian countries are heavily dependent on international trade and can be adversely affected by trade barriers, exchange controls and other measures imposed or negotiated by the countries with which they trade. Furthermore, increased political and social unrest in some Asian countries and slower economic growth could cause further economic and market uncertainty and economic decline in the entire region in the event of economic sanctions or military conflicts. The economies of Asia are also vulnerable to effects of natural disasters occurring within the region, including droughts, floods, tsunamis, and earthquakes. The economic impact of natural disasters can be significant at both the country and company levels.

Commodity-Related Investments Risk

The value of commodity-related investments may be more volatile than the value of equity securities or debt instruments and may be affected by factors such as changes in overall market movements, commodity index volatility, changes in interest rates, currency fluctuations or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, geopolitical events, embargoes, tariffs, war and international economic, political and regulatory developments. The price of a commodity-related investment may be affected by demand/supply imbalances in the market for the commodity or by demand/supply disruptions in major producing regions and changes in transportation, handling, and storage costs and capacity. Certain commodities may be produced in a limited number of states or countries and may be controlled by a small number of producers or groups of producers. As a result, political, economic, and supply-related events in such states and countries could have a disproportionate impact on the prices of such commodities. These imbalances and/or disruptions may be significant due to the length of time required to alter the supply of some commodities in response to changes in demand. To the extent the account focuses its investments in a particular asset of the commodities market (such as oil, metal or agricultural products), the account will be more susceptible to risks associated with that particular asset.

Company-Specific Risk

Changes in the financial condition of a company or other issuer, changes in specific market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions that affect a particular type of investment or issuer, and changes in general market, economic, political, regulatory, geopolitical, environmental, public health and other conditions can adversely affect the prices of investments. The value of an investment held by an account may decline due to factors directly related to the issuer of the investment, such as competitive pressures, cybersecurity incidents, financial leverage, historical and/or prospective earnings, management performance, labor and supply shortages, investor perceptions, and other factors. The prices of securities of smaller, less well-known issuers can be more volatile than the prices of securities of larger issuers or the market in general.

Counterparty and Third-Party Risk

Transactions involving a counterparty other than the issuer of the instrument, including clearing organizations, or a third party responsible for servicing the instrument or effecting the transaction, are subject to the credit risk of the counterparty or third party, and to the counterparty's or third party's ability or willingness to perform in accordance with the terms of the transaction. If a counterparty or third party fails to meet its contractual obligations, goes bankrupt or otherwise experiences a business interruption, the account could miss investment opportunities, lose value on its investments or otherwise hold investments it would prefer to sell, resulting in losses for the account.

Credit Risk

The price of a debt instrument depends, in part, on the issuer's or borrower's credit quality or ability to pay principal and interest when due. The price of a debt instrument is likely to fall if an issuer or borrower defaults on its obligation to pay principal or interest, if the instrument's credit rating is downgraded by a credit rating agency, or based on other changes in, or perceptions of, the financial condition of the issuer or borrower. Debt instruments may be more susceptible to downgrades or defaults during economic downturns or similar periods of economic stress, which in turn could negatively affect the market value and liquidity of a debt instrument. For certain types of instruments, including derivatives, the price of the instrument depends in part on the credit quality of the counterparty to the transaction. For other types of debt instruments, including mortgage-backed securities and other securitized instruments, the price of the debt instrument also depends on the credit quality and adequacy of the underlying assets or collateral as well as whether there is a security interest in the underlying assets or collateral. Enforcing rights, if any, against the underlying assets or collateral may be difficult. It is possible that issuers of government securities, including the U.S. Government, may experience credit downgrades. Such a credit event may adversely affect the financial markets and securities held by the account. U.S. Government securities not supported as to the payment of principal or interest by the U.S. Treasury are subject to greater credit risk than are U.S. Government securities supported by the U.S. Treasury.

Below investment grade quality debt instruments can involve a substantially greater risk of default or can already be in default, and their values can decline significantly over short periods of time. Below investment grade quality debt instruments are regarded as having predominantly speculative characteristics with respect to capacity to pay interest and principal. Below investment grade quality debt instruments tend to be more sensitive to adverse news about the issuer, or the market or economy in general, than higher quality debt instruments. The market for below investment grade quality debt instruments can be less liquid, especially during periods of recession or general market decline.

Government securities not supported as to the payment of principal or interest by the full faith and credit of a government are subject to greater credit risk than are government securities supported by the full faith and credit of the government. The credit quality of, and the ability to pay principal and interest when due by, an issuer of a municipal instrument depends on the credit quality of the entity supporting the municipal instrument, how essential any services supported by the municipal instrument are, the sufficiency of any revenues or taxes that support the municipal instrument, and/or the willingness or ability of the appropriate government entity to approve any appropriations necessary to support the municipal instrument. In addition, the price of a municipal instrument also depends on its credit quality and ability to meet the credit support obligations of any insurer or other entity providing credit support to a municipal instrument.

Credit and Market Risk

The value of a money market instrument depends on the credit quality of the issuer, borrower, counterparty or other entity responsible for payment. The value of a money market instrument can also decline in response to changes in, or perceptions of, the financial condition of the issuer or borrower, changes in, or perceptions of, specific market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions that affect a particular type of instrument, issuer or borrower, and changes in, or perceptions of, general market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions.

Currency Risk

Changes in currency exchange rates can significantly impact the financial condition of a company or other issuer with exposure to multiple countries. In addition, a decline in the value of a foreign currency relative to the U.S. dollar reduces the value of the foreign currency and investments denominated in that currency. The use of foreign exchange contracts to reduce foreign currency exposure will not completely eliminate the exposure to foreign currency movements. In addition, the use of foreign exchange contracts to reduce foreign currency exposure can eliminate some or all of the benefit of an increase in the value of a foreign currency versus the U.S. dollar. Suitable currency hedging transactions may not be available in all circumstances and there can be no assurance that the account will engage in such transactions at any given time or from time to time. The value of foreign currencies relative to the U.S. dollar fluctuates in response to, among other factors, interest rate changes, intervention (or failure to intervene) by the U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, the imposition of currency controls, and other political or regulatory conditions in the U.S. or abroad. Foreign currency values can decrease significantly both in the short term and over the long term in response to these and other conditions.

Debt Market Risk

Debt markets can be volatile and can decline significantly in response to changes in, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions can affect a single instrument, issuer or borrower, a particular type of instrument, issuer or borrower, a segment of the debt markets, or debt markets generally. Certain changes or events, such as political, social or economic developments, including increasing and negative interest rates; or the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan (which has in the past resulted and may in the future result in a government shutdown); market closures and/or trading halts; government or regulatory actions, including sanctions, the imposition of tariffs or other protectionist actions and changes in fiscal, monetary or tax politics; changes in inflation rates; natural disasters; outbreaks of pandemic or epidemic diseases; terrorist attacks; war; and other geopolitical changes or events can have a dramatic adverse effect on debt markets and may lead to periods of high volatility and reduced liquidity in a debt market or segment of a debt market.

The terms of investments, financings or other transactions (including certain derivatives transactions) have historically been tied to the London Interbank Offered Rate (LIBOR), and an account may have maintained investments and entered into transactions utilizing a LIBOR-based reference rate. In connection with the global transition away from LIBOR led by regulators and market participants, LIBOR was last published on a representative basis at the end of June 2023. Alternative reference rates to LIBOR have been established in most major currencies (e.g., the Secured Overnight Financing Rate for U.S. dollar LIBOR and the Sterling Overnight Index Average for GBP LIBOR) and the transition to new reference rates continues. The transition away from LIBOR to the use of replacement rates has generally not been disruptive but the full impact of the transition on an account or the financial instruments in which the account invests cannot yet be fully determined.

In addition, interest rates or other types of rates and indices which are classed as "benchmarks" have been the subject of ongoing national and international regulatory reform, including under the European Union regulation on indices used as benchmarks in financial instruments and financial contracts (known as the "Benchmarks Regulation"). Such changes could cause increased market volatility and disruptions in liquidity for instruments that rely on or are impacted by such benchmarks. Additionally, there could be other consequences which cannot be predicted.

Derivatives Risk

Where permitted by an investment advisory agreement and/or the Offering Documents, an account pursuing any of the investment strategies set forth in the chart at the beginning of this Appendix A can trade derivatives, although not all will do so regularly. Derivatives can be highly volatile and involve risks in addition to, and potentially greater than, the risks of the underlying indicator(s). Gains or losses from derivatives can be substantially greater than the derivatives' original cost and can sometimes be unlimited. Derivatives can involve leverage. Derivatives can be complex instruments and can involve analysis and processing that differs from that required for other investment types used by an account. If the value of a derivative does not change as expected relative to the value of the market or other indicator to which the derivative is intended to provide exposure, the derivative may not have the effect intended. Derivatives can also reduce the opportunity for gains or result in losses by offsetting positive returns in other investments. Derivatives can be less liquid than other types of investments. Derivatives are also subject to the credit risk of the counterparty, as described in more detail above.

Emerging Markets Risk

Investments tied economically to emerging markets, especially frontier markets (emerging markets that are early in their development), can involve additional and greater risks than the risks associated with investments in developed markets. Emerging markets typically have less developed economies and markets, greater custody and operational risk, less developed legal, regulatory, and accounting systems, less trading volume, less stringent investor protection and disclosure standards, less reliable settlement practices, greater government involvement in the economy, and greater risk of new or inconsistent government treatment of or restrictions on issuers and instruments than developed countries. A number of emerging market countries restrict, to varying degrees, foreign investment in securities. In an effort to circumvent foreign ownership limitations, certain emerging market issuers may use organizational structures that create associated risks for an account, including the risks that a foreign government may prohibit the ownership structure going forward, that the contracts underlying the ownership structure may not be enforced and that shareholders of the emerging market issuer could take action to the detriment of outside investors. Financial and other disclosures by emerging market issuers may be considerably less reliable than disclosures made by issuers in developed markets. In addition, the Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, may not be able to inspect audit work papers in certain emerging market countries. Certain trading structures, protocols, and platforms in some emerging markets can involve additional and greater risks than developed markets. Emerging markets can also be subject to greater political, social, geopolitical, and economic instability, and more susceptible to environmental problems. In addition, many emerging market countries with less established heath care systems have experienced outbreaks of pandemics or contagious diseases from time to time. These factors can make emerging market investments more volatile and less liquid than investments in developed markets.

Equity Market Risk

Equity markets are volatile and can decline significantly in response to changes in, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions can affect a single issuer or type of security, issuers within a broad market sector, industry or geographic region or the equity markets in general. Different parts of the market and different types of securities can react differently to these conditions. For example, the stocks of growth companies can react differently from the stocks of value companies, and the stocks of large cap companies can react differently from the stocks of small cap companies. Certain changes or events, such as political, social or economic developments, including political elections, increasing or negative interest rates; or the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan (which has in the past resulted and may in the future result in a government shutdown); market closures and/or trading halts; government or regulatory actions, including sanctions, the imposition of tariffs or other protectionist actions and changes in fiscal, monetary or tax policies; natural disasters; outbreaks of pandemic or epidemic diseases; terrorist attacks; war; and other geopolitical changes or events, can have a dramatic adverse effect on equity markets and may lead to periods of high volatility in an equity market or a segment of an equity market.

European Market Risk

Europe includes both developed and emerging markets. Most developed countries in Western Europe are members of the EU, and many are also members of the European Economic and Monetary Union ("EMU"). European countries can be significantly affected by the tight fiscal and monetary controls with which EU members and candidates for EMU membership are required to comply. In addition, the private and public sectors' debt problems of a single EU country can pose economic risks to the EU as a whole. Unemployment in Europe has historically been higher than in the United States, public deficits are an ongoing concern in many European countries, the region is currently facing great political and economic uncertainty, and many European economies are experiencing slow economic growth or recession. European countries can be significantly affected by the deficit and budget issues of several EMU members and the associated political uncertainties. In addition, social unrest, acts of terrorism and political instability could decrease tourism, lower consumer confidence and otherwise negatively affect European asset markets. Eastern European countries generally continue to move toward market economies. However, their markets remain relatively undeveloped and can be particularly sensitive to social, political, and economic developments.

The EU faces challenges related to member states seeking to change their relationship with the EU, exemplified by the United Kingdom's withdrawal. There can be significant uncertainty as to the terms and consequences of EU member states seeking to change their relationship with the EU. Among other things, a member state's decision to leave the EU could result in increased volatility and illiquidity in the European and such member state's economies, as well as the broader global economy. Companies with a significant amount of business in the member state or Europe may experience lower revenue and/or profit growth, which could adversely affect the value of an account's investments. In addition, uncertainty regarding any member state's exit from the EU may lead to instability in the foreign exchange markets, including volatility in the value of the Euro. Any further exits from the EU, or the possibility of such exits, or the abandonment of the Euro, may cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Focus Risk – Industry, Sector, Country and Region Focus

Issuers in a single industry, sector, country or region can react similarly to market, currency, economic, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions include business environment changes; economic factors such as fiscal, monetary, and tax policies; inflation and unemployment rates; and government and regulatory changes. An account's performance will be affected by the conditions in the industries, sectors, countries and regions to which the account is exposed. The more concentrated an account is in a certain industry, sector, country or region, the greater the risk.

Focus Risk – Country and Region Focus

Issuers in a single country or region can react similarly to market, currency, economic, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions include business environment changes; economic factors such as fiscal, monetary and tax policies; inflation and unemployment rates; and government and regulatory changes. An account's performance will be affected by the conditions in the countries or regions to which the account is exposed. The more concentrated an account is in a certain country or region, the greater the risk.

Focus Risk – Municipal Mandates

An account's performance will be closely tied to the issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions in the states, territories, and possessions of the U.S. in which the account's assets are invested. These conditions include constitutional or statutory limits on an issuer's ability to raise revenues or increase taxes, anticipated or actual budget deficits or other financial difficulties, or changes in the credit quality of municipal issuers in such states, territories, and possessions. If MFS invests a significant percentage of the account's assets in a single state, territory or possession, or a small number of states, territories or possessions, these conditions will have a significant impact on the account's performance and the account's performance may be more volatile than the performance of more geographically-diversified accounts. A prolonged increase in unemployment or a significant decline in the local and/or national economies, could result in decreased tax revenues. A significant decline in the fiscal and economic conditions in Puerto Rico, the U.S. Virgin Islands, and Guam could result in decreased tax revenues and could significantly affect the price of municipal instruments for these U.S. territories.

Foreign Risk

Investments in securities of foreign issuers, securities of companies with significant foreign exposure, and foreign currencies can involve additional risks relating to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. Political, social, diplomatic and economic developments, U.S. and foreign government action or the threat thereof, such as the imposition of currency or capital blockages, controls or tariffs, economic and trade sanctions or embargoes, security trading suspensions, entering or exiting trade or other intergovernmental agreements, or the expropriation or nationalization of assets in a particular country, can cause dramatic declines in certain or all securities with exposure to that country and other countries. Sanctions, or the threat of sanctions, may cause volatility in regional and global markets and may negatively impact the performance of various sectors and industries, as well as companies in other countries, which could have a negative effect on the performance of an account. In the event of nationalization, expropriation confiscation or other government action, intervention or restriction, the account could lose its entire investment in a particular foreign issuer or country. In addition, delisting or other prohibitions on trading in a foreign issuer's securities due to U.S. and/or foreign government action could negatively impact the securities' liquidity and market price. Civil unrest, geopolitical tensions, wars, armed conflicts and acts of terrorism are other potential risks that could adversely affect an investment in a foreign security or in foreign markets or issuers generally. Economies and financial markets are interconnected, which increases the likelihood that conditions in one country or region can adversely impact issuers in different countries or regions. Less stringent regulatory, accounting, auditing and disclosure requirements for issuers and markets are more common in certain foreign countries. Enforcing legal rights can be difficult, costly, and slow in certain foreign countries and with respect to certain types of investments, can be particularly difficult against foreign governments. Changes in currency exchange rates can significantly impact the financial condition of a company or other issuer with exposure to multiple countries as well as affect the U.S. dollar value of foreign currency investments and investments denominated in foreign currencies. Additional risks of foreign investments include trading, settlement, custodial, and other operational risks, and withholding and other taxes. These factors can make foreign investments, especially those tied economically to countries with developing economies, more volatile and less liquid than U.S. investments. In addition, foreign markets can react differently to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions than the U.S. market.

In February 2022, Russia commenced a large-scale military attack on Ukraine. The outbreak of hostilities between the two countries could result in more widespread conflict and could have a severe adverse effect on the regional and the global financial markets and economies, various sectors, industries and markets for securities and commodities (such as oil and natural gas), and companies with operations economically tied to Russia, including through global supply chain disruptions, increased inflationary pressures, and reduced economic activity. Related market disruption and economic sanctions, or the threat of sanctions (including any Russian retaliatory responses to such sanctions), could adversely impact the value and liquidity of an account's holdings, could impair an account's ability to transact in and/or value portfolio securities and may adversely affect the value of an account's assets.

Frequent Trading Risk

MFS can engage in active and frequent trading in pursuing an account's principal investment strategies. Frequent trading increases transaction costs, which can reduce the account's return. Frequent trading can also increase the possibility of capital gain and ordinary distributions. Frequent trading can also result in the realization of a higher percentage of short-term capital gains and a lower percentage of long-term capital gains as compared to an account that trades less frequently. Because short-term capital gains are distributed as ordinary income, this would generally increase a taxable client's tax liability unless the client holds shares through a tax-advantaged or tax-exempt vehicle.

Growth Company Risk

The stocks of growth companies can be more sensitive to the companies' earnings and more volatile than the market in general.

Inflation-Adjusted Debt Instruments Risk

Interest payments on inflation-adjusted debt instruments can be unpredictable and vary based on the level of inflation. If inflation is negative, principal and income both can decline. In addition, the measure of inflation used may not correspond to the actual rate of inflation experienced by a particular individual.

Infrastructure Concentration Risk

The account's performance will be closely tied to performance of companies in the infrastructure sector. Companies in a single sector can react similarly to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. As a result, the account's performance can be more volatile than the performance of more broadly diversified accounts.

Companies in the infrastructure sector are subject to a number of risks that may negatively impact investment performance. Such companies frequently incur high financial leverage in connection with major construction projects, and therefore may be especially vulnerable to increases in interest rates. Infrastructure companies may be dependent on procurement decisions by public entities, which may in turn be driven in part by unpredictable political factors. There is also the risk that corruption may negatively affect publicly-funded infrastructure projects, resulting in delays and cost overruns. Infrastructure-related entities may be subject to environmental regulation, which may increase costs and delay or prevent the completion of revenue-generating projects. Prices charged by infrastructure companies may be regulated and limited, and products or services provided may be subject to regulatory-defined geographic scope or other minimum standards. Infrastructure companies are also subject to changes in tax laws, regulatory policies and accounting standards, the effects of economic slowdown and surplus capacity, increased competition from other providers of services, uncertainties concerning the availability of fuel at reasonable prices, and the effects of energy conservation policies, among other factors.

Interest Rate Risk

The price of a debt instrument typically changes in response to interest rate changes. Interest rates can change in response to the supply and demand for credit, government and/or central bank monetary policy and action, inflation rates, general economic and market conditions and other factors. In general, the price of a debt instrument falls when interest rates rise and rises when interest rates fall. Inflationary price movements may cause fixed income securities markets to experience heightened levels of interest rate volatility and liquidity risk. Potential future changes in government and/or central bank monetary policy and action may also affect the level of interest rates. Monetary policy measures have in the past, and may in the future, exacerbate risks associated with rising interest rates. Interest rate risk is generally greater for fixed-rate instruments than floating-rate instruments and for instruments with longer maturities or durations, or that do not pay current interest. In addition, short-term and long-term interest rates and interest rates in different countries do not necessarily move in the same direction or by the same amount. An instrument's reaction to interest rate changes depends on the timing of its interest and principal payments and the current interest rate for each of those time periods. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. Inflation-adjusted debt instruments tend to react to changes in "real" interest rates. "Real" interest rates represent nominal interest rates reduced by the inflation rate. Fluctuations in the market price of fixed-rate instruments held by an account may not affect interest income derived from those instruments, but may nonetheless affect the account's share price, especially if an instrument has a longer maturity or duration and is therefore more sensitive to changes in interest rates.

Interest payments on inflation-adjusted debt instruments can be unpredictable and vary based on the level of inflation. If inflation is negative, principal and income both can decline. In addition, the measure of inflation used may not correspond to the actual rate of inflation experienced by a particular individual.

Interest Rate Risk – Money Market

In general, the price of a money market instrument falls when interest rates rise and rises when interest rates fall. A major or unexpected increase in interest rates could cause the account's share price to decrease to below $1.00 per share. The account may face a heightened level of interest rate risk due to changes in monetary policy. When interest rates go down, the account's yield may decline. Also, when interest rates decline, the account's investments may pay a lower interest rate, which would reduce the income received by the account. A low or negative interest rate environment may prevent the account from providing a positive yield and could impair the account's ability to maintain a stable $1.00 per share. Inflationary price movements may cause fixed income securities markets to experience heightened levels of interest rate volatility and liquidity risk. Potential future changes in government and/or central bank monetary policy and action may also affect the level of interest rates. Monetary policy measures have in the past, and may in the future, exacerbate risks associated with rising interest rates.

Intrinsic Value Risk

The stocks of companies that MFS believes are undervalued compared to their intrinsic value can continue to be undervalued for long periods of time, may not realize their expected value, and can be volatile.

Investment Selection Risk (investment strategies that do not use quantitative models as part of principal investment strategy)

MFS' investment analysis and its selection of investments will not always produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests. To the extent MFS considers quantitative tools in managing an account, such tools may not work as expected or produce the intended results. In addition, MFS or an account's other service providers may experience disruptions or operating errors that could negatively impact the account.

Investment Selection Risk (investment strategies that use quantitative models as part of principal investment strategy)

MFS' investment analysis, its development and use of quantitative models, and its selection of investments will not always produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests. The quantitative models used by MFS (both proprietary and third-party) may not produce the intended results for a variety of reasons, including: the factors used in the models, the weight placed on each factor in the models, changes from the market factors' historical trends, changing sources of market return or market risk, and technical issues in the design, development, implementation, application and maintenance of the models (*e.g.*, incomplete, stale or inaccurate data, human error, programming or other software issues, coding errors and technology failures). In addition, MFS or an account's other service providers may experience disruptions or operating errors that could negatively impact the account.

Investment Strategy Risk - Blended Research Predicted Tracking Error Strategy

There is no assurance that the predicted tracking error of an account managed in this investment strategy will equal its target predicted tracking error at any point in time or consistently for any period of time, or that an account's predicted tracking error and actual tracking error will be similar. An account's investment strategy to target a predicted tracking error compared to the account's index and to blend fundamental and quantitative research might not produce the intended results. In addition, MFS' fundamental research is not available for all issuers.

Investment Strategy Risk – Blended Research Strategy

An account's investment strategy to blend fundamental and quantitative research may not produce the intended results. In addition, MFS' fundamental research is not available for all issuers.

Investment Strategy Risk – Low Volatility Strategy

There is no assurance that an account managed in this investment strategy will be less volatile than the account's index over the long term or for any year or period of years. An account's investment strategy to invest in equity securities with historically lower volatility may not produce the intended results if, in general, the historical volatility of an equity security is not a good predictor of the future volatility of that equity security, and/or if the specific equity securities held by the account become more volatile than expected. In addition, an account's investment strategy to blend fundamental and quantitative research might not produce the intended results, and MFS' fundamental research is not available for all issuers. It is expected that an account managed in this investment strategy will generally underperform the equity markets during strong, rising equity markets.

Investment Strategy Risk – Tactical Asset Allocation

There is no assurance that the account will have lower volatility than that of the overall equity market, over the long term or for any year or period of years. The account's investment strategy to manage its exposure to asset classes, markets, and/or currencies may not produce the intended results. It is expected that the account will generally underperform the equity markets during periods of strong, rising equity markets.

Issuer Focus Risk

If an account invests a significant percentage of the account's assets in a single issuer or small number of issuers, the account's performance will be affected by economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions that impact that one issuer or those issuers, could be closely tied to the value of that issuer or those issuers, and could be more volatile than the performance of more diversified accounts.

Japan Risk

The Japanese economy, at times, has been characterized by government intervention and protectionism, an aging demographic, declining population, and an unstable financial services sector. International trade, particularly with the United States, government support of the financial services sector and other troubled sectors, natural disasters, and geopolitical developments can significantly affect Japan's economic growth. Since a significant portion of Japan's trade is conducted with developing nations, many of which are in East and Southeast Asia, it can be affected by currency fluctuations and other conditions in these other countries. The Japanese yen has fluctuated widely during recent periods and may be affected by currency volatility elsewhere in Asia, especially Southeast Asia. In addition, the yen has had a history of unpredictable and volatile movements against the U.S. dollar.

Large Shareholder Risk

From time to time, shareholders of a pooled vehicle (which may include institutional investors, financial intermediaries or other MFS Global Funds) may make relatively large redemptions or purchases of account shares. These transactions may cause the pooled vehicle to sell securities or invest additional cash, as the case may be, at disadvantageous prices. While it is impossible to predict the overall impact of these transactions over time, there could be adverse effects on the pooled vehicle's performance to the extent that the pooled vehicle may be required to sell securities or invest cash at times it would not otherwise do so. Redemptions of a large number of shares also may increase transaction and other costs or have adverse tax consequences for shareholders of the pooled vehicle by requiring a sale of account securities. In addition, a large redemption could result in the pooled vehicle's current expenses being allocated over a smaller asset base, leading to an increase in the pooled vehicle's expense ratio. Purchases of a large number of shares may adversely affect the account's performance to the extent that it takes time to invest new cash and the account maintains a larger cash position that it ordinarily would.

Leveraging Risk

Certain transactions and investment strategies (including derivatives) can result in leverage. Leverage involves investment exposure in an amount exceeding the initial investment. In transactions involving leverage, a relatively small change in an underlying indicator can lead to significantly larger losses to an account. Leverage can cause increased volatility by magnifying gains or losses. Accounts employing leverage could be subject to losses in excess of the account's value.

Leveraging Risk – Closed End Fund

If the closed end fund utilizes investment leverage, there can be no assurance that such a leveraging strategy will be successful during any period in which it is employed. The use of leverage is a speculative investment technique that results in greater volatility in the account's net asset value. To the extent that investments are purchased with the proceeds from the borrowings from a bank, the issuance of preferred shares or the creation of tender option bonds, the account's net asset value will increase or decrease at a greater rate than a comparable leveraged account. If the investment income or gains earned from the investments purchased with the proceeds from the borrowings from a bank, the issuance of preferred shares or the creation of tender option bonds, fails to cover the expenses of leveraging, the account's net asset value is likely to decrease more quickly than if the account was not leveraged. In addition, the account's distributions could be reduced. The account may be required to sell a portion of its investments at a time when it may be disadvantageous to do so in order to redeem preferred shares or to reduce outstanding indebtedness to comply with regulatory and/or other requirements. The account may be prohibited from declaring and paying common share dividends and distributions if the account fails to satisfy regulatory and/or other asset coverage requirements. In these situations, the account may choose to repurchase or redeem any outstanding leverage to the extent necessary in order to maintain compliance with such asset coverage requirements. Certain transactions and investment strategies (including derivatives) can result in leverage. Because movements in an account's share price generally correlate over time with the account's net asset value, the market price of a leveraged account will also tend to be more volatile than that of a comparable unleveraged account.

Liquidity Risk

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market, or may not have an active trading market due to adverse market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions, including trading halts, sanctions or wars. Investors trying to sell large quantities of a particular investment or type of investment, or lack of market makers or other buyers for a particular investment or type of investment may also adversely affect liquidity. At times, all or a significant portion of a market may not have an active trading market. Without an active trading market, it may be difficult to value, and it may not be possible to sell these investments and the account could miss other investment opportunities and hold investments it would prefer to sell, resulting in losses for the account. In addition, the account may have to sell certain investments at prices or times that are not advantageous in order to meet redemptions or other cash needs, which could result in dilution of remaining investors' interests in the account. The prices of illiquid securities may be more volatile than more liquid investments.

MFS may not be able to sell or close all holdings when a client terminates its account. When this occurs, the client may be required to take investment responsibility over the holdings MFS was not able to liquidate and/or use a third party to take investment responsibility or liquidate the holdings.

Managed Distribution Plan Risk

The account may not be able to maintain a monthly distribution at an annual fixed rate due to many factors, including but not limited to, changes in market returns, fluctuations in market interest rates, and other factors. If income from the account's investments is less than the amount needed to make a monthly distribution, the account may distribute a return of capital to pay the distribution. In certain cases, the account may sell investments at less opportune times in order to pay such distribution. Distributions that are treated as tax return of capital will have the effect of reducing the account's assets and could increase the account's expense ratio. If a portion of the account's distributions represent returns of capital over extended periods, the account's assets may be reduced over time to levels where the account is no longer viable and might be liquidated.

Market Discount/Premium Risk

The market price of common shares of the account will be based on factors such as the supply and demand for common shares in the market and general market, economic, industry, political, regulatory or other conditions. Whether shareholders will realize gains or losses upon the sale of common shares of the account will depend on the market price of common shares at the time of the sale, not on the account's net asset value. The market price may be lower or higher than the account's net asset value. Shares of closed-end funds frequently trade at a discount to their net asset value.

Mid Cap Risk

The stocks of mid cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources, and market and distribution channels. Their shares can be less liquid than those of larger companies, especially during market declines.

Municipal Risk

The price of a municipal instrument can be volatile and significantly affected by adverse tax changes or court rulings, legislative or political changes, market and economic conditions and developments, issuer, industry-specific and other conditions, including as the result of events that cannot be reasonably anticipated or controlled such as social conflict or unrest, labor disruption and natural disasters. Municipal instruments can be less liquid than other types of investments and there may be less publicly available information about the issuers of municipal instruments compared to other issuers. If the Internal Revenue Service or a state taxing authority determines that an issuer of a municipal instrument has not complied with applicable tax requirements, interest from the instrument could become taxable (including retroactively) and the instrument could decline significantly in price. Because many municipal instruments are issued to finance similar projects, especially those relating to education, health care, housing, utilities, and water and sewer, conditions in these industries can significantly affect the account and the overall municipal market. In addition, changes in the financial condition of an individual municipal insurer can affect the overall municipal market.

Municipal instruments may be more susceptible to downgrades or defaults during economic downturns or similar periods of economic stress, which in turn could affect the market values and marketability of many or all municipal obligations of issuers in a state, U.S. territory or possession. Factors contributing to the economic stress on municipal issuers may include a decrease in revenues supporting the issuer's bonds due to factors such as lower sales tax revenue as a result of decreased consumer spending, lower income tax revenue due to higher unemployment, and a decrease in the value of collateral backing revenue bonds due to closures and/or curtailment of services and/or changes in consumer behavior.

Prepayment/Extension Risk

Many types of debt instruments, including mortgage-backed securities, commercial mortgage-backed securities, securitized instruments, certain corporate bonds, and municipal housing bonds, and certain derivatives, are subject to the risk of prepayment and/or extension. Prepayment occurs when unscheduled payments of principal are made or the instrument is called or redeemed prior to an instrument's maturity. When interest rates decline, the instrument is called, or for other reasons, these debt instruments may be repaid more quickly than expected. As a result, the holder of the debt instrument may not be able to reinvest the proceeds at the same interest rate or on the same terms, reducing the potential for gain. When interest rates increase or for other reasons, these debt instruments may be repaid more slowly than expected, increasing the potential for loss. In addition, prepayment rates are difficult to predict and the potential impact of prepayment on the price of a debt instrument depends on the terms of the instrument.

Real Estate-Related Investment Risk

The risks of investing in real estate-related investments, including real estate investment trusts (companies that own, and in many cases operate, income-producing real estate or real estate-related assets) ("REITs"), include certain risks associated with the direct ownership of real estate and the real estate industry in general. These include risks related to general, regional and local economic conditions; difficulties in valuing and disposing of real estate; fluctuations in interest rates and property tax rates; shifts in zoning laws, environmental regulations and other governmental action; cash flow dependency; increased operating expenses; lack of availability of mortgage funds; losses due to natural disasters; overbuilding; losses due to casualty or condemnation; changes in property values and rental rates; the management skill and creditworthiness of the REIT manager; and other factors. The real estate sector is particularly sensitive to economic downturns. During such periods, demand for property may decrease and prices may decline, which could impact the value of real estate-related investments. REITs and similar entities formed under the laws of non-U.S. countries may be affected by changes in the value of the underlying property owned by the trusts. Mortgage REITs and similar entities formed under the laws of non-U.S. countries may be affected by default or payment problems relating to underlying mortgages, the quality of credit extended, interest rates and prepayments of the underlying mortgages. REITs could be adversely affected by failure to qualify for the favorable tax treatment available to REITs under the Internal Revenue Code of 1986, as amended, or to maintain their exemption from registration under the Investment Company Act of 1940, as amended, and similar risks may also apply to securities of entities similar to REITs formed under the laws of non-U.S. countries. In addition, REITs may have limited diversification because they invest in a limited number of properties, a narrow geographic area or a single type of property.

Redemption Risk

Large or frequent redemptions could cause an account's share price to decrease below $1.00 per share.

Small to Medium Cap REIT Risk

Many real estate investment trusts (companies that own, and in many cases operate, income-producing real estate or real estate-related assets) ("REITs"), entities similar to REITs formed under the laws of non-U.S. countries, and other real estate-related issuers tend to be small- to medium-sized issuers in relation to the equity markets as a whole. The securities of small and medium-sized real estate-related issuers may experience more price volatility, be less liquid, and have more limited financial resources than larger issuers.

Short Sales Risk

A security sold short is closed out at a loss if the price of the security sold short increases between the time of the short sale and closing out the short position. It may not be possible to close out a short position at any particular time or at an acceptable price. Short sales can involve leverage. Investing the proceeds from short sale positions in other securities subjects an account to the risks of the securities purchased with the proceeds in addition to the risks of the securities sold short. Short sales expose an account to the potential for losses in excess of the account's value.

Small Cap Risk

The stocks of small cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources and market and distribution channels. Small cap companies often have shorter operating histories and more limited publicly available information than larger, well-established companies. Their shares can be less liquid than those of larger companies, especially during market declines.

Small to Medium Cap Company Risk

The stocks of small to medium cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources, and market and distribution channels. Small to medium cap companies often have shorter operating histories than larger, well-established companies. Their shares can be less liquid than those of larger companies, especially during market declines.

Technology Concentration Risk

The account's performance will be closely tied to the performance of issuers in a limited number of industries. Companies in a single industry can react similarly to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. As a result, the account's performance can be more volatile than the performance of more broadly diversified accounts.

The prices of stocks in the technology sector can be very volatile, especially over the short term, due to the rapid pace of product change and technological developments. Issuers in the technology sector are subject to significant competitive pressures, such as new market entrants, short product cycles, competition for market share, and falling prices and profits. Issuers doing business in the technology area also face the risk that new services, equipment or technologies, such as artificial intelligence and machine learning, will not be commercially successful, will rapidly become obsolete or will make the products and/or services offered by the issuer obsolete. Issuers in the technology sector may also be adversely affected by new government regulation, dependency on patent protection, and changing consumer preferences.

Temporary Defensive Strategy Risk

In response to adverse market, economic, industry, political or other conditions, MFS may depart from an account's principal investment strategy by temporarily investing for defensive purposes. When MFS invests defensively, different factors could affect the account's performance and the account may not achieve its investment objective. In addition, the defensive strategy may not work as intended.

Tender Option Bond Risk

The underlying municipal instruments held by a special purpose trust are sold or distributed in-kind by the trustee if specified events occur, such as a downgrade in the rating of the underlying municipal instruments, a specified decline in the value of the underlying municipal instruments, a failed remarketing of the floating rate certificates, the bankruptcy of the issuer of the underlying municipal instruments and, if the municipal instruments are insured, of both the issuer and the insurer, and the failure of the liquidity provider to pay in accordance with the trust agreement. In the event the trustee sells or distributes in-kind the underlying municipal instruments to pay amounts owed to the floating rate certificate holders, with the remaining amount paid to the inverse floater holders, the account's leverage will be reduced.

Underlying Funds Risk

MFS' strategy of investing in underlying funds exposes the account to the risks of the underlying funds. Each underlying fund pursues its own investment objective and strategies and may not achieve its objective. In addition to the fees and expenses an account bears directly, the account will indirectly bear the fees and expenses of the underlying funds.

Utilities Concentration Risk

The account's performance will be closely tied to the performance of issuers in a limited number of industries. Issuers in a single industry can react similarly to market, economic, industry, political, regulatory, geopolitical, environmental and other conditions. As a result, the account's performance could be more volatile than the performance of more broadly diversified accounts.

Issuers in the utilities sector are subject to many risks, including the following: increases in fuel and other operating costs; restrictions on operations, increased costs, and delays as a result of environmental and safety regulations; coping with the impact of energy conservation and other factors reducing the demand for services; technological innovations that may render existing plants, equipment or products obsolete; the potential impact of natural or man-made disasters; difficulty in obtaining adequate returns on invested capital; difficulty in obtaining approval of rate increases; the high cost of obtaining financing, particularly during periods of inflation; increased competition resulting from deregulation, overcapacity, and pricing pressures; commodity price fluctuations; and the negative impact of regulation.

Issuers doing business in the telecommunications area are subject to many risks, including the negative impact of regulation, a competitive marketplace, difficulty in obtaining financing, rapid obsolescence, and agreements linking future rate increases to inflation or other factors not directly related to the active operating profits of the issuer.

Value Company Risk

The stocks of value companies can continue to be undervalued for long periods of time and not realize their expected value and can be more volatile than the market in general.

When-Issued, Delayed Delivery, and Forward Commitment Transaction Risk

When-issued, delayed delivery, and forward commitment transactions include purchases and sales of mortgage-backed securities in the to be announced (TBA) market. The purchaser in a when-issued, delayed delivery or forward commitment transaction, including assumes the rights and risk of ownership, including the risks of price and yield fluctuations and the risk that the security will not be issued or delivered as anticipated, and the seller loses the opportunity to benefit if the price of the security rises. When-issued, delayed delivery and forward commitment transactions, including TBA transactions, can involve leverage. When-issued, delayed delivery and forward commitment transactions may significantly increase and account's portfolio turnover rate.

Appendix B – Privacy Policy

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FACTS	**WHAT DOES MFS DO WITH YOUR PERSONAL INFORMATION?**

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ▪ Social Security number and account balances ▪ Account transactions and transaction history ▪ Checking account information and wire transfer instructions When you are *no longer* our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons MFS chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does MFS share?	Can you limit this sharing?
For our everyday business purposes– such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes– to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes– information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes– information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?	Call **800-225-2606** or go to **mfs.com**.

Who we are	
Who is providing this notice?	MFS Funds, MFS Investment Management, MFS Institutional Advisors, Inc., and MFS Heritage Trust Company.

What we do	
How does MFS protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include procedural, electronic, and physical safeguards for the protection of the personal information we collect about you.
How does MFS collect my personal information?	We collect your personal information, for example, when you ▪ open an account or provide account information ▪ direct us to buy securities or direct us to sell your securities ▪ make a wire transfer We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ▪ sharing for affiliates' everyday business purposes—information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ▪ *MFS does not share personal information with affiliates, except for everyday business purposes as described on page one of this notice.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ▪ *MFS does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ▪ *MFS doesn't jointly market.*

Other important information
If you own an MFS product or receive an MFS service in the name of a third party such as a bank or broker-dealer, their privacy policy may apply to you instead of ours.