



MFS MODERN SLAVERY STATEMENT

Reporting period: 1 January 2024 to 31 December 2024

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1. Reporting Entities

This modern slavery statement (**Statement**) is made on behalf of MFS International Holdings Pty Limited (ACN 601 210 575) (**MFS Holdings**) and all entities it owns and controls pursuant to section 14 of the *Modern Slavery Act 2018 (Cth)* (the **Act**) and constitutes our Statement for the reporting period 1 January 2024 to 31 December 2024 (**Reporting Period**). MFS Holdings and its subsidiary MFS International Australia Pty Limited (**MFS Australia**) (AFSL 485343, ABN 68 607 579 537) are reporting entities for the purposes of the Act.

The MFS Group (referred to throughout this Statement as **MFS** or **we** or **our** or **us**) is committed to tackling risks of modern slavery on a company-wide basis to capture all MFS affiliates including MFS Holdings, MFS Australia and the MFS Holdings Subsidiaries.

The Act defines modern slavery as trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour can mean situations where children are subjected to slavery or similar practices or engaged in hazardous work.

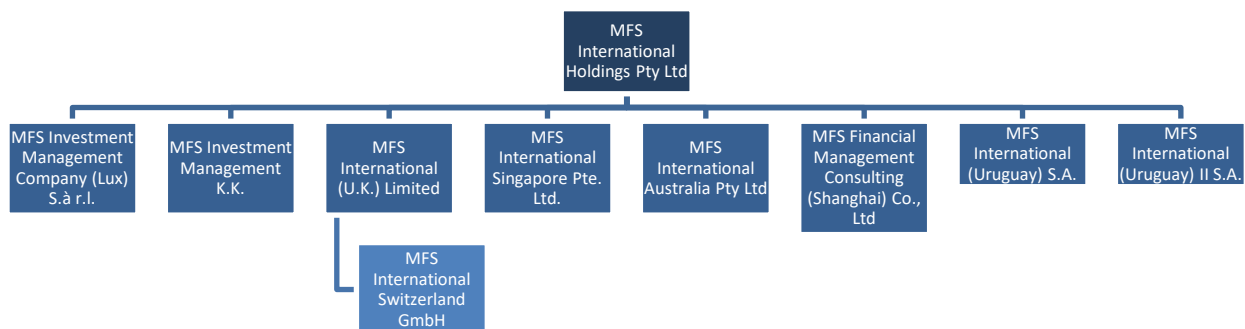
Modern slavery and forced labour remain a rampant problem in today's world. MFS recognises the damaging effect of these practices on people and communities, and is committed to not knowingly participating in, causing, contributing to, or being directly linked to modern slavery practices in its



operations and supply chains. Further, MFS is conscious of the growing reputational and regulatory risks related to modern slavery as regulators and investors come to expect best practice in environmental, social and governance (ESG) research. From an investment perspective, we acknowledge that these factors can result in supply chain disruptions, litigation, fines and/or lowered valuations for companies that cannot effectively address their modern slavery risk. We therefore continue to build on our efforts to mitigate risks of modern slavery within our organisation and supply chains.

(a) Structure

MFS Holdings is a proprietary limited company incorporated in Australia. MFS Holdings is one of several of the Massachusetts Financial Services Company (d.b.a. MFS Investment Management) group of companies (MFS Group). Established in 1924, the MFS Group is an active, global asset manager with investment offices in Boston, Hong Kong, London, Luxembourg, São Paulo, Singapore, Sydney, Tokyo and Toronto. The MFS Group is a member of the Sun Life Financial group of companies. Per the diagram below, MFS Holdings owns and controls a number of MFS Group entities (MFS Holdings Subsidiaries):



MFS Australia is a proprietary limited company incorporated in Australia. MFS Australia is an Australian-based investment manager and is a member of the MFS Group. MFS Australia does not own or control any other entities.

(b) Operations and Supply Chain

MFS Holdings is a holding company for a number of other MFS entities which generate income globally. It does not have employees. Although MFS Holdings is an Australian incorporated corporation, it is managed and maintained by MFS International (U.K.) Limited in the United Kingdom.

The primary operations and activities of MFS Australia and the other MFS Holdings Subsidiaries relates to financial investments, including internally and externally managing investment portfolios and assets. MFS Australia provides a range of investment products and services to its clients across several asset classes, including equities and fixed income.

MFS Australia employs approximately 26 employees. MFS Australia has two offices in Australia:

- Sydney (registered office): Level 15, 20 Martin Place, Sydney, NSW 2000



- Melbourne: Level 27, 101 Collins Street, Melbourne, VIC 3000

MFS has a global network of suppliers and vendors, including those engaged at a group level as well as local suppliers. These suppliers and vendors are located primarily in global office locations where MFS is based, such as in the United States of America, Europe and the Asia Pacific region (see www.mfs.com for further detail on these office locations). The main supplier relationships have remained the same in this Reporting Period and include those with:

- Professional services providers (including external legal firms, accountants, insurance and tax advisers);
- IT and applications service providers (including suppliers of IT and office equipment);
- Facilities management, cleaning and maintenance services providers; and
- Providers of services related to the leasing of office space.

2. Risks of Modern Slavery Practices in MFS' Operations and Supply Chains

The risks of modern slavery in MFS' operations/supply chains have again been reviewed during this Reporting Period. Following this assessment by the relevant internal stakeholder teams during the review and preparation of this Statement (see Section 6 for further details regarding the involvement of various internal teams) MFS incorporated any results of its review to continually address modern slavery risk in its operations and supply chains, specifically by reviewing and improving any policies and processes where necessary.

MFS considers the risk factors discussed in previous statements to continue to be relevant to this Reporting Period and appropriate categories of risk assessment. This is because the structure of the MFS global business model has not materially changed during the Reporting Period and during the internal review process, each relevant internal stakeholder team re-confirmed the applicability of these risk factors during the Reporting Period. As such, there were no material findings identified during the Reporting Period and MFS confirms that areas of modern slavery risk continue to exist from a workforce, investment, and supplier/vendor perspective.

MFS recognises that, through its supply chain and investment arrangements, it can be indirectly linked to organisations that benefit from or are involved (even if unintentionally) in modern slavery. MFS uses a number of factors to assess the potential risk of modern slavery in its operations and supply chains, including geographic risks where vendors and underlying investments may be located, the sector that MFS operates in (i.e. highly regulated financial services organisation) and the professional nature of MFS' workforce.

Investment risk: as discussed in MFS' previous statements, there is some risk of modern slavery in MFS' investments as a result of MFS' broad global investment portfolio. In this Reporting Period, MFS continued to focus upon the following areas of risk in its investments (because MFS considers these thematic categories to be relevant indicators of modern slavery risk from an investment perspective):

- *Sector and industry risk:* where certain sectors and industries may have high modern slavery risks because of their characteristics, products, processes and supply chains. Indicators of this type of risk include the use of unskilled, temporary or seasonal labour, use of short term contracts and outsourcing, use of recruitment agencies for supply chain labour, use of foreign workers or temporary



or unskilled labour to carry out functions which are not immediately visible (i.e. at night time) for example, security and cleaning and the reliance on long and complex supply chains. Areas of such risk include but are not limited to industries such as agriculture and fishing, apparel, and electronics.

- **Geographic risk:** where some countries may have higher risk of modern slavery, including due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors. While we have identified some examples of these risks in developed markets (e.g. in relation to matters like underpayment of wages), geographic risk related to modern slavery has proven to be most pronounced in emerging and frontier markets, where public access to information is less robust. For example, the cocoa supply chain in West Africa has long experienced allegations related to the use of child and forced labour.
- **Entity risk:** where an entity may have particular modern slavery risks because of their reliance on long and/or complex supply chains, insufficient oversight or governance structures, or historical controversies in the area of human rights. While MFS believes the risk of modern slavery in the direct operations of the companies MFS owns is generally low, it is very difficult to assess this risk in the long, complex and often opaque supply chains of many investee companies. MFS integrates consideration of financially material ESG risks, such as modern slavery, into the investment process and engages with companies on this issue, where material. MFS has sought to understand modern slavery risk at an entity level through direct discussions with management teams and third-party organisations that evaluate these issues.

Supplier and vendor risk: many of our suppliers and vendors are professional and financial services providers in countries with strong labour protections (e.g. the United States of America, Europe and Australia). MFS continues to recognise that higher risks of modern slavery practices may be associated with its suppliers of, for example, facilities (goods and services) and cleaning and maintenance services of MFS' global offices as they may involve forced labour or trafficking further down within their supply chains. During this Reporting Period (and as in the last Reporting Period), MFS continued to use its vendor management tool for vendor oversight monitoring and reporting, in order to help mitigate modern slavery supplier and vendor risk.

3. Actions Taken by MFS to Assess and Address Risks

In this Reporting Period, MFS continued to make progress in implementing policies and actions to assess and address the risks of modern slavery practices occurring in its operations and supply chains.

(a) Policies and Procedures

MFS has an established set of frameworks, policies and procedures that continues to govern our operations and assists it in managing potential modern slavery risks with regard to its employees, supply chain and business operations. Details of these policies, MFS' whistleblower program and MFS' Statement on Human Rights are set out in our previous statements.

During this Reporting Period (and as in the last Reporting Period), MFS continued to implement and review its policies and procedures to ensure they appropriately address relevant modern slavery risks. The relevant MFS policies and procedures relating to modern slavery risk continue to be reviewed on a regular (normally annual) basis.



No breaches or incidents were raised in relation to modern slavery risk under MFS' internal policies or procedures or the Statement on Human Rights during this Reporting Period via the ombudsman/whistleblower program or otherwise.

(b) Suppliers and Vendors

MFS takes a risk-based approach to supplier and vendor management. MFS continued to maintain its internal controls to mitigate risks of modern slavery during the Reporting Period. MFS continues to seek to engage with suppliers that adopt the same strict standards that we ourselves adhere to.

Further details of the policies and procedures that MFS implements as part of its modern slavery risk controls in respect of suppliers and vendors are set out in our previous statements. They include MFS' supplier code of conduct, MFS' vendor oversight monitoring program and vendor management policy.

In this Reporting Period, MFS has:

- Continued to assess and engage with vendors on the supplier code of conduct (inclusive of human rights policies) during vendor onboarding as well as ongoing due diligence;
- Continued to implement vendor engagement protocols to further understand code of conduct practices (inclusive of human rights);
- Continued to monitor and periodically review vendors for negative news events (inclusive of modern slavery risks) during vendor onboarding and ongoing due diligence monitoring processes;
- Continued to consider mechanisms for conducting deeper screening and detailed analysis of parts of our global supply chain; and
- Continued to utilise a vendor management tool that enhances oversight capabilities by leveraging technology to further mitigate risk.

(c) Investment Management and Responsible Investing

MFS integrates ESG risks, such as modern slavery, into its investment process where MFS believes those risks to be material to the company being reviewed. MFS has sought to understand modern slavery risk at a company level through direct discussions with management teams and third-party organisations that evaluate these issues.

During this Reporting Period, MFS engaged with at least three companies regarding modern slavery or child labour, documenting company responses that were sufficient or required additional follow up queries. As an example of MFS' integration of modern slavery risk management, our investment team monitored an independent audit being conducted by an auto manufacturer regarding a portion of the company's Chinese operations. We considered this audit to be thorough, as it was conducted on site and included employee interviews and documentation evaluations. This audit found no indication of forced labour, and when combined with our own engagement with the company on ESG topics, we believe the company is in the process of rebuilding its sustainability credentials, which should positively influence investor views in the long term.



(d) Employees

MFS Holdings does not have any employees.

As detailed in previous statements, MFS Australia and the other MFS Holdings Subsidiaries have robust employment policies and procedural controls. These policies and procedural controls cover modern slavery risk and continue to be reviewed annually (including during the Reporting Period) to ensure the MFS Holdings Subsidiaries have robust processes in place to minimise the risk of modern slavery in its operations. During the Reporting Period, MFS considered more enhanced background checks for temporary contractors that perform work for MFS and will incorporate this into standard contracts where appropriate.

During the Reporting Period, MFS ensured that modern slavery refresher training was provided to employees globally on relevant modern slavery risks, in order to continuously improve awareness of and responsiveness to modern slavery risk in its operations and supply chains. MFS continues to incorporate training on modern slavery risk for new employees hired in Australia. Globally, employees were offered modern slavery refresher training during the Reporting Period.

4. How MFS Assesses the Effectiveness of These Actions

During the Reporting Period, MFS has sought to evaluate the effectiveness of its approach to addressing modern slavery risks within its supply chain and operations through the following measures set out in the table below:

Subject	Assessment Mechanism	Details
Vendors	Tracking the number of new vendors that have completed our on-boarding process, accepted the supplier code of conduct and been subject to monitoring under our vendor oversight monitoring program.	All new vendors were required to confirm receipt of the MFS supplier code of conduct during our on-boarding process, which includes sections relating to modern slavery risk. To the best of MFS' knowledge and based on the monitoring performed, no issues were identified with these vendors in relation to modern slavery risks.
Investment Engagement	Tracking MFS' engagement on ESG topics, which includes modern slavery (details set out above at Section 3) as part of MFS' responsible investing framework.	MFS has used its engagement tracking database to identify companies with which MFS has engaged on modern slavery in the Reporting Period, where at least three companies were engaged with on modern slavery issues.
Training	Tracking the number of existing employees globally who have received modern slavery training.	Employees globally were offered modern slavery refresher training. In addition, all new employees hired in Australia were provided with modern slavery training during their onboarding process.

Employee Screening	Ensuring that employees and fixed term contractors in Australia are effectively screened in terms of modern slavery risk (including their background and work eligibility) prior to employment at MFS.	Third party agency contractors were screened in terms of police checks and work eligibility prior to employment. Any potential risks or issues in relation to employee and reviewed by human resources, legal, compliance and hiring managers and resolved with individual candidates prior to any employment. In addition, based on the screening conducted on employees and contractors, there were no material issues relating to modern slavery risk that were identified during the Reporting Period.
Whistleblower Reports	Tracking the number of whistleblower reports that concern modern slavery matters.	There were no whistleblower reports concerning modern slavery matters.
Breaches or Incidents	Tracking the number of breaches or incidents relating to modern slavery risk in relation to MFS' internal policies or procedures.	There were no reported or identified breaches or incidents relating to modern slavery risk under MFS' internal policies or procedures identified in MFS' compliance monitoring program.

5. MFS' Action Plan for the Next Reporting Period

MFS will continue to implement its policy and procedural framework around modern slavery risks in the next reporting period.

MFS will also consider implementing some or all of the following actions in future reporting periods:

- Continuing to regularly review and update all relevant existing policies and procedures to ensure that modern slavery risks are appropriately addressed within our operations and supply chain, to the extent necessary;
- Implementing further general global employee training (including refresher training) when necessary;
- Considering whether more detailed background checks on third party agency contractors hired in relevant jurisdictions should be conducted by the relevant hiring agency that has been engaged; Deepening our engagement with vendors relating to the assessment of modern slavery risk through the on-boarding process, the supplier code of conduct and monitoring under the vendor oversight monitoring program;
- Continuing to develop and deepen our global approach at MFS towards sustainability including via MFS' internal Corporate Sustainability Committee;
- Continuing to consider mechanisms for conducting deeper screening and detailed analysis of parts of our global supply chain, including the implementation of a supply chain risk monitoring tool as well as engaging with vendors that do not maintain key sustainability policies inclusive of modern slavery; and



- MFS' investment team will continue to refine existing frameworks and engage with company management teams as needed to assess our investments that are most at risk of being impacted by modern slavery.

6. Consultation

MFS is committed to tackling risks of modern slavery as a group, through group-wide policies and processes, and through ongoing consultation between MFS Holdings and the MFS Holdings Subsidiaries, including MFS Australia. MFS implements a group-wide modern slavery risk assessment across MFS entities to capture the MFS entities referred to in this Statement.

In this Reporting Period, the process of consultation involved:

- The engagement of relevant global business teams that cover the MFS Holdings Subsidiaries (e.g. enterprise risk management, legal, compliance, investment, human resources) to consider modern slavery risks in different sectors of the business, consider compliance against the reporting requirements under the Act, assess the relevant risks during the Reporting Period and report on progress on previous action items. These relevant global business teams were asked to review and provide feedback on the Statement;
- A review and approval process conducted by MFS' Corporate Sustainability Committee (which comprises stakeholder members from relevant global teams); and
- Following this internal review process, the board of MFS Holdings and MFS Australia was given an opportunity to consider and review this Statement prior to approval and submission.

7. Board Approval

This Statement was approved by the MFS Holdings Board of Directors, being its principal governing body, on behalf of itself and the MFS Holdings Subsidiaries. This Statement was also approved by the MFS Australia Board of Directors, being its principal governing body.

Patrick Hehir
Director, MFS International Holdings Pty Limited
March 2025

Joshua Barton
Director, MFS International Australia Pty Limited
March 2025



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