

Policy on Cluster Munitions and Anti-Personnel Mines

December 14, 2023



Applies:

All products or accounts managed by Massachusetts Financial Services Company and all of its subsidiaries

Questions?

Please contact the person listed below

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For more information on administration such as regulatory authority, supervision, interpretation and escalation, monitoring, related policies, amendment or recordkeeping please [click here](#).

This Policy prescribes the application of laws adopted by certain countries that are signatories to the United Nations Conventions on Cluster Munitions and/or Anti-Personnel Mines (such local laws are hereinafter referred to as "Explosive Ordnance Laws"). Generally, the Explosive Ordnance Laws prohibit persons subject to such laws from using, developing, producing, acquiring, stockpiling, retaining or transferring cluster munitions and/or anti-personnel mines. Some countries have adopted an Explosive Ordnance Law that further prohibits persons subject to such Law from financing or investing in companies that use, develop, produce, acquire, stockpile, retain or transfer cluster munitions.

MFS' goal is to ensure that MFS and its subsidiaries (collectively, "MFS") comply with Explosive Ordnance Laws to the extent such laws are determined to be applicable to MFS and/or MFS client accounts and to the extent such laws prohibit persons subject to such law from financing or investing in companies that use, develop, produce, acquire, stockpile, retain or transfer cluster munitions and/or anti-personnel mines. The Investment Sustainability Committee ("ISC") is responsible for the oversight of this Policy.

Scope and Applicability of Explosive Ordnance Laws

The prohibitions set forth under an Explosive Ordnance Law apply to persons or corporations that are subject to the jurisdiction of countries that have adopted such law. In addition, the scope or breadth of Explosive Ordnance Laws (e.g., whether such laws prohibit investing in certain companies) varies by country and as a result their applicability may need to be assessed on a country-by-country basis.

Restrictions on investments that are derived from Explosive Ordnance Laws shall only apply to those funds and accounts that (i) are located in jurisdictions that have adopted Explosive Ordnance Laws which MFS has determined apply to such fund or account or (ii) for which MFS receives a client direction to restrict investments in companies that use, develop, produce, acquire, stockpile, retain or transfer cluster munitions ("Restricted Accounts").

Restricted Accounts and Prohibited Companies

MFS has entered into an agreement with a third-party service provider to identify companies that are deemed to be involved with cluster munitions or anti-personnel mines within the meaning of the relevant Explosive Ordnance Laws ("Prohibited Companies").¹ In identifying Prohibited Companies, MFS' third-party service provider includes companies that manufacture or own manufacturers (as these terms are defined by the third-party service provider) of cluster munitions

and landmines (including anti-personnel mines).

In certain countries, the relevant supervisory authorities may publish a list of restricted companies under that country's Explosive Ordnance Laws. In these circumstances, MFS will, as required by local law, use a country's restricted company list to identify Prohibited Companies for Restricted Accounts located in that country.

Because the Explosive Ordnance Laws vary by country questions concerning whether an Explosive Ordnance Law applies to a particular account, whether the particular Explosive Ordnance Law prohibits investments in a particular company, and whether the prohibition applies to particular types of securities of a company are likely to arise. The MFS Legal Department is responsible for interpreting the applicability and scope of such Explosive Ordnance Laws, including determining which jurisdictions have adopted Explosive Ordnance Laws that prohibit persons within their jurisdiction from investing in companies that use, develop, produce, acquire, stockpile, retain or transfer cluster munitions or anti-personnel mines. The MFS Legal Department reports such interpretation to the ISC.

Implementation of Explosive Ordnance Law Restrictions

- A. As part of MFS' on-boarding process for new clients MFS will determine whether

distributed, MFS has determined that Prohibited Companies for purposes of these funds will include companies involved with either cluster munitions or anti-personnel mines.

¹ Because of the similarities of these weapons systems and potential ambiguity of certain Explosive Ordnance Laws in the various jurisdictions in which the Luxembourg-domiciled MFS Meridian Funds and MFS Investment Funds (FCP) are

the account is a Restricted Account.

- B. MFS will engage a third party to screen and identify Prohibited Companies or, in the event that a country publishes its own list of restricted companies and requires applicable Restricted Accounts to use such list under its Explosive Ordnance Laws, we will use such list to screen and identify Prohibited Companies for those Restricted Accounts.
- C. MFS will block Restricted Accounts from investing in Prohibited Companies.
- D. In the event a client provides MFS with its own list of companies that the client believes are involved with cluster munitions, anti-personnel mines, or any other weapons systems, then MFS will block the Restricted Account(s) from investing in such companies identified by the relevant client.
- E. In the event a client disagrees with MFS' designation of the client as a Restricted Account, MFS will consult with such client to achieve a mutually agreeable outcome.
- F. MFS investment personnel shall have a reasonable time to divest ownership of any security subject to the limitations of this Policy and shall divest such security in the best interests of the applicable Restricted Account.

Reporting to Fund Restricted Accounts

MFS will present a report to the appropriate Fund board (where such Fund has been deemed a Restricted Account) regarding this Policy at least annually. These reports will include (i) the current

list of Prohibited Companies; (ii) a review of situations and rationale where MFS determined that a company was included on the third-party provider list as a Prohibited Company but should not have been included under the applicable Explosive Ordnance Law; (iii) a review of any material interpretations of the regulations applicable to the relevant Fund; (iv) a review of these policies and procedures for implementation thereof; (v) as necessary or appropriate, any modifications to this Policy; and (vi) such other information the applicable board may request.

Interpretation and escalation

Exceptions to this policy may be authorized by the General Counsel or a senior member of the Legal Department acting under the supervision of the General Counsel (an "Authorized Person").

For questions regarding this policy you should seek guidance from the contact person(s) listed above. You must immediately notify a contact person to escalate any apparent conflict with, or violation of, this policy. If any person listed as a contact person is no longer employed at MFS, you should seek guidance from one of the other listed contacts or the owner of this policy.

Breaches of the Policy are reviewed promptly by the representatives of the Compliance Department and communicated to senior management for resolution. Violations are discussed at the ISC.