

Fonds de Compensation de la Sécurité Sociale, SICAV-FIS (the "Fund")

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: FDC SICAV EMMA EQUITIES – ACTIVE 1 (the "Sub-Fund")

Legal entity identifier: 5493001RY2CXEC2F6E83

Fund manager (by sub-delegation): MFS International (U.K.) Limited ("MFS")

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective: ___%**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: ___%**

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 6 June 2022, the Sub-Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the Sub-Fund will aim to have at least 50% of the equity securities in the portfolio invested in equity issuers that meet at least one of the three climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 30 June 2023, 53.81% of the equity securities in the portfolio of the Sub-Fund met at least one of the climate criteria, which represented 52.96% of the total assets. Equity securities represented 98.42% of the assets of the Sub-Fund as of 30 June 2023.

In addition, the Sub-Fund did comply over the reference period with the Fund's proprietary exclusion list (as described in the pre-contractual disclosures).

● How did the sustainability indicators perform?

This periodic disclosure relates to the period from 30 June 2022 to 30 June 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criterion 1	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2023	43.83	43.14
30 June 2022	40.86	40.02

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities in the portfolio invested in equity issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criterion 2	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2023	24.78	24.39
30 June 2022	7.59	7.43

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criterion 3	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2023	0	0
30 June 2022	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
30 June 2023	53.81	52.96
30 June 2022	41.85	40.73

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **... and compared to previous periods?**

See above.

● **What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?**

The Sub-Fund does not commit to make sustainable investments.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

The Sub-Fund does not commit to make sustainable investments.

- How were the indicators for adverse impacts on sustainability factors taken into account?

The Sub-Fund does not commit to make sustainable investments.

- Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Sub-Fund does not commit to make sustainable investments, however, the Fund Manager did not invest in issuers of the Fund's proprietary exclusion list screening out companies based on their involvement in controversial practices against international norms. The core normative framework consisted of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Securities issued by companies with severe violations of these frameworks were restricted from the investment universe. Equally excluded were companies linked to controversial weapons being antipersonnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.



How did this financial product consider principal adverse impacts on sustainability factors?

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyse various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the Sub-Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint, exposure to active in the fossil fuel sector, share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "Additional Emissions Indicators"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022.

MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises and board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.



What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 30 June 2022 to 30 June 2023.

Largest investments	Sector	% Asset	Country
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	4.54	Taiwan
Samsung Electronics Co Ltd	Information Technology	4.48	South Korea
Alibaba Group Holding Ltd	Consumer Discretionary	2.72	China
Reliance Industries Ltd	Energy	2.08	India
Tencent Holdings Ltd	Communication Services	2.03	China
Ping An Insurance Group Co of China Ltd	Financials	1.81	China
Hon Hai Precision Industry Co Ltd	Information Technology	1.71	Taiwan
NetEase Inc	Communication Services	1.65	China
Mahindra & Mahindra Ltd	Consumer Discretionary	1.43	India
Telkom Indonesia Persero Tbk PT	Communication Services	1.35	Indonesia
KB Financial Group Inc	Financials	1.31	South Korea
JD.com Inc	Consumer Discretionary	1.30	China
Meituan	Consumer Discretionary	1.27	China
Wal-Mart de Mexico SAB de CV	Consumer Staples	1.25	Mexico
Maruti Suzuki India Ltd	Consumer Discretionary	1.25	India

The top investment holdings above represent the average security weights for the top 15 securities in the Sub-Fund's portfolio at the end of the 30 September 2022, 31 December 2022, 31 March 2023, 30 June 2023 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



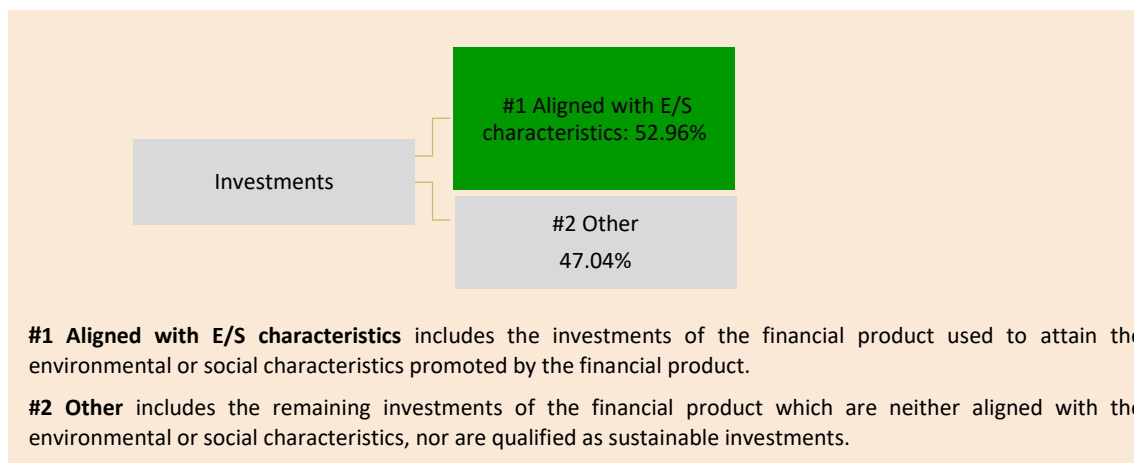
What was the proportion of sustainability-related investments?

The Sub-Fund aims to have at least 50% of the equity securities in the portfolio invested in equity issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the Sub-Fund (i.e. # 1) from the Transition Date.

● **What was the asset allocation?**

As of 30 June 2023, equity securities represented 98.42% of the total assets of the portfolio of the Sub-Fund; the remaining investments of 1.58% of the portfolio included cash and /or cash equivalent instruments; 53.81% of the equity securities in the portfolio of the Sub-Fund met at least one of the climate criteria, which represented 52.96% of the total assets of the portfolio that attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 47.04% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments.

Asset allocation describes the share of investments in specific assets.



● **In which economic sectors were the investments made?**

Sectors	% Average weight
Financials	21.23
Information Technology	19.63
Consumer Discretionary	14.65
Communication Services	9.80
Materials	7.91
Consumer Staples	7.01
Industrials	5.17
Health Care	4.30
Energy	4.17
Utilities	2.83
Real Estate	1.75
Cash & Cash Equivalents	1.56

The sector holdings above represent the average sector weight for the Sub-Fund’s portfolio at the end of the 30 September 2022, 31 December 2022, 31 March 2023, 30 June 2023 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio’s value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

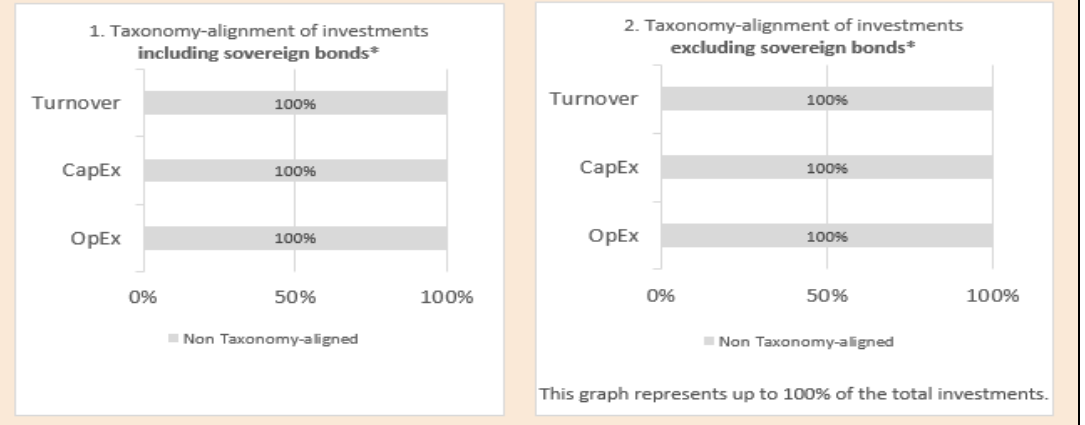
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**

No, the Sub-Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds. For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.



Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are

sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund does not commit to invest in transitional or enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.



What was the share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund does not commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of sustainable investments with a social objective?

The Sub-Fund does not commit to invest in sustainable investments with a social objective.



What investments were included under “#2 Other”, what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include cash and cash equivalent instruments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Sub-Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM")

In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of assets under management (AUM) that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS AUM will be considered in-scope, including investments in equity securities of the MFS Blended Research European Equity Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning.
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonisation of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

Task Force on Climate related Financial Disclosures ("TCFD")

MFS became a signatory in 2019. In 2022, MFS produced its first annual report in line with the TCFD recommendations. This report demonstrates our progress in integrating climate-risk awareness into our business operations and investment strategy. The full report is available on www.mfs.com.

MFS Climate Letter

MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group

MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements

During the reporting period, MFS investment professionals conducted at least 3 engagements with issuers in the Sub-Fund's portfolio on climate related risks and opportunities including: Engie SA, Mahindra and Mahindra, Yum China Holdings. Topics engaged on include identification of identification of climate risk, physical risk, transition risk, and Net Zero/SBTi initiatives.



How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics

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Environmental and/or social characteristics

Does this financial product have a sustainable investment?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective: ___%**

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: ___%**

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 6 June 2022, the Sub-Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the Sub-Fund will aim to have at least 50% of the equity securities in the portfolio invested in equity issuers that meet at least one of the three climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 30 June 2024, 65.96% of the equity securities in the portfolio of the Sub-Fund met at least one of the climate criteria, which represented 65.12% of the total assets. Equity securities represented 98.74% of the assets of the Sub-Fund as of 30 June 2024.

In addition, the Sub-Fund did comply over the reference period with the Fund's proprietary exclusion list (as described in the pre-contractual disclosures).

● How did the sustainability indicators perform?

This periodic disclosure relates to the period from 1 July 2023 to 30 June 2024.

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Climate Criterion 1	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2024	59.78	59.03
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Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities in the portfolio invested in equity issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criterion 2	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2024	28.45	28.09
30 June 2023	24.78	24.39
30 June 2022	7.59	7.43

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

Climate Criterion 3	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
30 June 2024	0	0
30 June 2023	0	0
30 June 2022	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (<https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>).

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30 June 2022	41.85	40.73

● ***... and compared to previous periods?***

See above.

● ***What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?***

The Sub-Fund does not commit to make sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The Sub-Fund does not commit to make sustainable investments.

- How were the indicators for adverse impacts on sustainability factors taken into account?

The Sub-Fund does not commit to make sustainable investments.

- Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Sub-Fund does not commit to make sustainable investments, however, the Fund Manager did not invest in issuers of the Fund's proprietary exclusion list screening out companies based on their involvement in controversial practices against international norms. The core normative framework consisted of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Securities issued by companies with severe violations of these frameworks were restricted from the investment universe. Equally excluded were companies linked to controversial weapons being antipersonnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons

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MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available the following social principal adverse impact indicators: violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises and board gender diversity. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

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What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 30 June 2022 to 30 June 2023.

Largest investments	Sector	% Asset	Country
Samsung Electronics Co Ltd	Information Technology	4.89	South Korea
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	4.71	Taiwan
Alibaba Group Holding Ltd	Consumer Discretionary	2.42	China
Hon Hai Precision Industry Co Ltd	Information Technology	2.16	Taiwan
NetEase Inc	Communication Services	1.96	China
Petroleo Brasileiro SA	Energy	1.84	Brazil
Infosys Ltd	Information Technology	1.73	India
Mahindra & Mahindra Ltd	Consumer Discretionary	1.52	India
KB Financial Group Inc	Financials	1.51	South Korea
Emirates NBD Bank PJSC	Financials	1.48	United Arab Emirates
MediaTek Inc	Information Technology	1.29	Taiwan
Wal-Mart de Mexico SAB de CV	Consumer Staples	1.26	Mexico
Ping An Insurance Group Co of China Ltd	Financials	1.24	China
BYD Co Ltd	Consumer Discretionary	1.22	China
China Construction Bank Corp	Financials	1.21	China

The top investment holdings above represent the average security weights for the top 15 securities in the Sub-Fund's portfolio at the end of the 30 September 2023, 31 December 2023, 31 March 2024, 30 June 2024 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



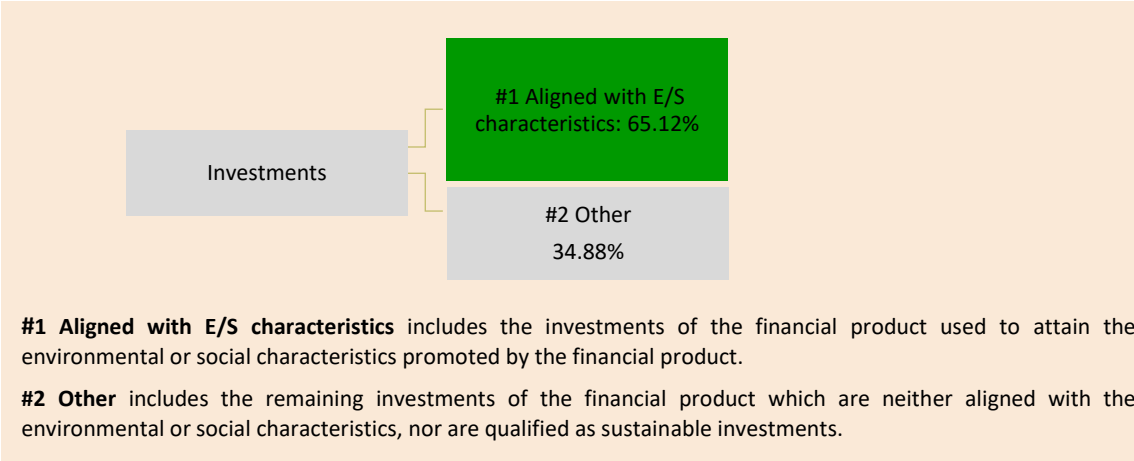
What was the proportion of sustainability-related investments?

The Sub-Fund aims to have at least 50% of the equity securities in the portfolio invested in equity issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the Sub-Fund (i.e. # 1) from the Transition Date.

● **What was the asset allocation?**

As of 30 June 2024, equity securities represented 98.74% of the total assets of the portfolio of the Sub-Fund; the remaining investments of 1.26% of the portfolio included cash and/or cash equivalent instruments. 65.96% of the equity securities in the portfolio of the Sub-Fund met at least one of the climate criteria, which represented 65.12% of the total assets of the portfolio that attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments). 34.88% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments.

Asset allocation describes the share of investments in specific assets.



In which economic sectors were the investments made?

Sectors	% Average weight
Information Technology	23.16
Financials	21.30
Consumer Discretionary	13.98
Communication Services	8.50
Materials	7.23
Consumer Staples	6.21
Industrials	6.11
Energy	4.41
Health Care	4.11
Utilities	2.35
Cash & Cash Equivalents	1.35
Real Estate	1.30

The sector holdings above represent the average sector weight for the Sub-Fund’s portfolio at the end of the 30 September 2023, 31 December 2023, 31 March 2024, 30 June 2024 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.



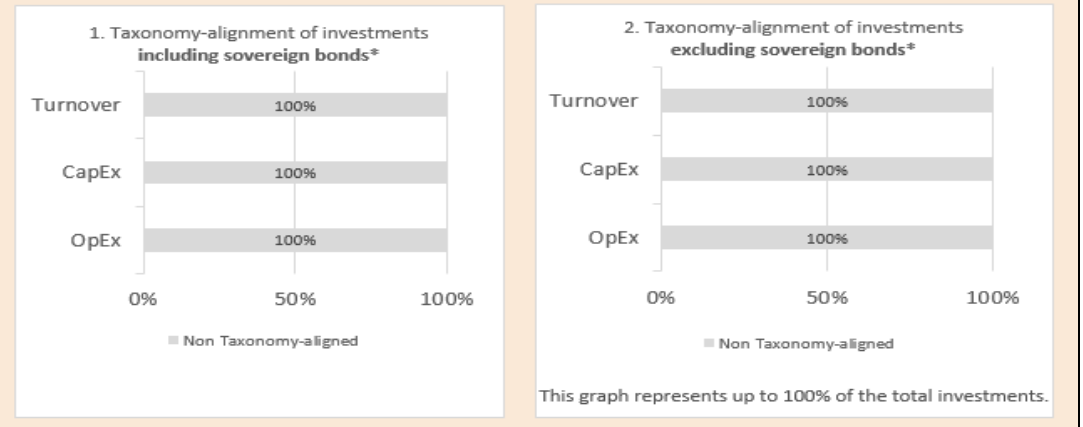
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**

No, the Sub-Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds. For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.



Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund does not commit to invest in transitional or enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What was the share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Sub-Fund does not commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

● **What was the share of sustainable investments with a social objective?**

The Sub-Fund does not commit to invest in sustainable investments with a social objective.

● **What investments were included under “#2 Other”, what was their purpose and were there any minimum environmental or social safeguards?**

For those equity securities that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include cash and cash equivalent instruments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Sub-Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM")

In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the NZAM initiative.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning.
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

Over the past year, the MFS investment team began the process of creating general and certain sector-specific frameworks to evaluate a company's progress in aligning with long-term net zero goals. For example, members of the MFS staples sector team worked closely with the MFS sustainability investment team to evaluate certain high impact companies. We conducted engagements with several companies, and the MFS staples sector team held a meeting to share findings with the broader group of MFS analysts and portfolio managers.

MFS also produced its first NZAM progress report, which can be found on www.mfs.com.

Task Force on Climate related Financial Disclosures ("TCFD")

MFS' second annual TCFD report included additional data and insights on our approach to evaluating and managing climate risk. The report included a more detailed analysis of MFS views on and the limitations of climate scenario analysis, while also detailing our new commitments and work in the area of climate. The full MFS 2023 TCFD report can be found on www.mfs.com.

MFS Technology Enhancements on Climate

MFS employs IT professionals dedicated to integrating ESG data into MFS systems and creating new systems and visualizations that allow the MFS investment team to better capture and evaluate ESG data. In 2023, The MFS IT team developed new tools using visualization software that enables the MFS investment team to evaluate a company's or portfolio's climate performance. In addition, we developed a new front-end tool that will allow for the capture of critical information underpinning our assessment of net zero alignment.

Ongoing Research and Analysis

The MFS investment team members focused on sustainability continued to work with the broader investment team on various pieces of climate-related research and analysis. For example, details regarding climate commitments and NZAM alignment were shared as part of annual sustainability reviews with portfolio management teams, and the team conducted research on various topics like natural capital, carbon capture, and hydrogen supply. In addition, the MFS investment team developed and shared presentations around topics like the risks to oil sands companies in regards to the energy and climate transition.

Engagements

During the reporting period, MFS investment professionals conducted 4 engagements with issuers in the portfolio of the Sub-Fund on climate related risks and opportunities including: Anhui Conch Cement Co Ltd, Inner Mongolia Yili Industrial Group Co Ltd, Samsung Electronics Co Ltd, and Sasol Ltd. Topics engaged on include identification of identification of climate change risk, toxic emissions, and Net Zero/SBTi initiatives.



How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics