

Composite: MFS Emerging Markets Local
Currency Debt Composite in NZD

Benchmark: JPMorgan GBI EM Global Div Index
- Total Return

Creation Date: 21-Nov-2008

Inception Date: 01-Nov-2006

Composite Description: The MFS Emerging Markets Local Currency Debt Composite includes all discretionary portfolios managed to the MFS Emerging Markets Local Currency Debt strategy that seek to outperform the JP Morgan GBI Emerging Markets Global Diversified Index in both up and down markets over full market cycles. The strategy invests primarily in a diversified portfolio of emerging markets local currency denominated sovereign debt securities and currencies. Emerging markets can have less market structure, depth, and regulatory, custodial or operational oversight and greater political, social, geopolitical and economic instability than developed markets.

Investments in debt instruments may decline in value as the result of, or perception of, declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall). Therefore, the portfolio's value may decline during rising rates.

Institutional Separate Accounts Fee Schedule

Asset Breakpoints (NZD)	Fee
For Assets Up To 75 MM	45 bp
For Assets From 75 MM To 150 MM	40 bp
For Assets Over 150 MM	37.50 bp

Accounts are eligible for inclusion in the composite if they have assets greater than 15 MM USD (26.8 MM NZD). Accounts are included as of their second full month of performance.

Derivative Exposure Disclosure

Period	Composite and Benchmark Return %			Composite Dispersion	Accounts in Composite at End of Period	Annualized 3-Year Standard Deviation		Assets (NZD million)	
	Gross of fees	Net of fees^	Benchmark			Composite	Benchmark	Composite	Firm
2024	9.20	8.40	10.32	n/a	<6	8.49	8.88	NZ\$863.9	NZ\$1,029,111.2
2023	14.60	13.75	12.58	n/a	<6	8.65	9.01	NZ\$873.7	NZ\$909,089.0
2022	-0.73	-1.47	-4.40	n/a	<6	10.90	9.74	NZ\$772.8	NZ\$833,630.3
2021	-2.37	-3.11	-4.04	n/a	<6	10.14	8.17	NZ\$724.9	NZ\$984,993.6
2020	-2.93	-3.67	-3.77	n/a	<6	10.29	8.35	NZ\$623.6	NZ\$832,050.5
2019	16.20	15.33	12.78	n/a	<6	8.88	8.63	NZ\$618.0	NZ\$768,648.8
2018	0.51	-0.26	-0.53	n/a	<6	10.11	10.07	NZ\$540.5	NZ\$636,109.9
2017	13.30	12.46	12.96	n/a	<6	12.41	11.96	NZ\$533.4	NZ\$690,400.6
2016	8.73	7.91	7.94	n/a	<6	11.75	11.38	NZ\$490.9	NZ\$610,267.9
2015	-3.93	-4.67	-2.86	n/a	<6	10.84	10.31	NZ\$494.9	NZ\$602,413.7

MFS Investment Management® claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. MFS Investment Management has been independently verified for the periods 1-Jan-1988 through 31-Dec-2023. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Past performance is no guarantee of future results.

Performance for periods less than one year are not annualized.

Total Gross of fee returns in NZD (includes both capital appreciation and reinvestment of income) are net of transaction costs, withholding taxes and direct expenses, but before management fees, custody and other indirect expenses. Typical separate accounts utilize 4:00 PM (London Time) foreign exchange rates; retail products will use rates deemed most appropriate for daily NAV per share calculations. The possibility exists for performance dispersion between otherwise similarly managed accounts and also with the benchmark.

Net of fee returns presented in this table are gross of fee returns reduced by management fees and performance fees if applicable (actual fees). For certain accounts where the actual fees are unavailable, the maximum applicable annual institutional separate account fees were applied.

Total returns of the benchmark are provided for each period depicted, expressed in NZD. Source of Benchmark Performance: FACTSET ®.

JP Morgan GBI EM Global Div Index - Total Return - is a market capitalization weighted index that is designed to measure the performance of local currency government bonds issued in emerging markets. The index includes only the countries which give access to their capital market to foreign investors; it therefore excludes China, India, and Thailand. Individual country weights in the index are limited to 10% in order for the index to remain fully diversified.

Composite Dispersion is measured by the asset-weighted standard deviation of gross of fees account returns for all accounts in the composite for the full period. For composites containing less than six accounts for the full period, dispersion is deemed not meaningful and is not presented. The three-year annualized ex post standard deviation measures the variability of the gross of fees composite returns and the benchmark returns over the preceding 36-month period.

The MFS Emerging Markets Local Currency Debt Composite is a US Dollar based composite available globally. The regional composite depicted here was created on 19-Jan-2010 for presentation in the New Zealand market. Where appropriate, data has been converted to New Zealand Dollar and the fees and breakpoints depicted are applicable to clients in this market.

The composite asset minimum changed from 20MM USD to 15MM USD effective 1-Nov-2022.



Certain accounts in this composite utilize derivatives for hedging, investment exposure, implementation efficiency, and transaction cost mitigation purposes. Derivative exposures can be volatile, used to take long or short positions, involve leverage (which can magnify gains or losses), and involve counterparty and liquidity risk. The table below displays the high, median, and low month-end derivative exposures over the last three years, when available or since inception if the composite is less than three years old. Derivative exposure of the account is calculated as the gross equivalent exposure of total net assets. The derivative exposures, displayed below, are the average exposures of the accounts that held derivatives.

LONG EXPOSURE		SHORT EXPOSURE	
High	174.29%	High	-179.24%
Median	116.73%	Median	-110.44%
Low	70.01%	Low	-67.96%

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The firm's list of composite descriptions, list of pooled fund descriptions for limited distribution pooled funds, and list of broad distribution pooled funds are available upon request. Additionally, policies for valuing investment, calculating performance, and preparing GIPS Reports are available upon request. All Indices are derived from sources, including market prices, data and other information, that are considered reliable, but the Index Administrator (defined below) does not warrant their completeness or accuracy or any other information furnished in connection with the Indices. The Global Index Research Group of J.P. Morgan Securities LLC ("JPMS") (the "Index Administrator") does not sponsor, endorse or otherwise promote any security or financial product or transaction (each the "Product") referencing any of the Indices.