

# MFS® Global Growth Concentrated Equity (CAD)



## Goal

Seeks to outperform the MSCI All Country World Growth Index (net div) over full market cycles.

## Investment team

### Portfolio Managers

**Jeffrey Constantino, CFA, CPA**

- 24 years with MFS
- 27 years in industry

**Joseph Skorski**

- 16 years with MFS
- 27 years in industry

### Institutional Portfolio Manager

**Andrew Boyd**

- 25 years with MFS
- 30 years in industry

## Assets under management (CAD)

MFS Investment Management® 785.5 billion

MFS® Global Growth Concentrated Equity Composite 3.2 million

## Philosophy

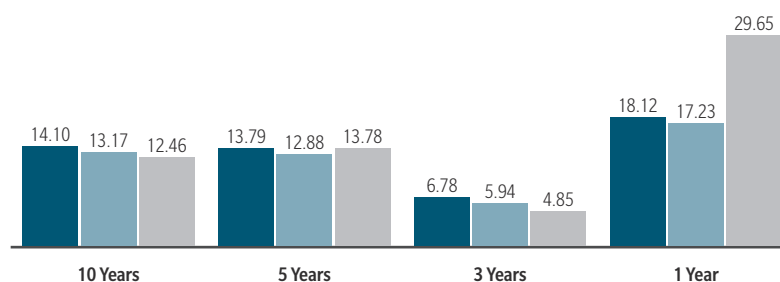
The tenets of our investment philosophy are based upon the following beliefs:

- Stock prices often over-react to shorter term, temporary events, providing opportunities for longer term investors
- Quality is underappreciated by the market
- Compounding free cash flow growth at above average rates is a key driver of increasing intrinsic value
- Valuation is a critical element of stock price performance

## Performance (%) total return

- MFS (gross of fees)
- MFS (net of fees)
- MSCI All Country World Growth Index (net div)

For periods of less than one-year returns are not annualized.



	10 Years	5 Years	3 Years	1 Year
Gross vs. MSCI All Country World Growth Index (net div)	1.64	0.01	1.93	-11.53
Net vs. MSCI All Country World Growth Index (net div)	0.71	-0.90	1.09	-12.42

## Annual performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
MFS (gross of fees)	21.83	19.19	1.16	22.95	8.56	31.86	18.82	15.05	-10.41	18.12
MFS (net of fees)	20.81	18.20	0.30	21.92	7.65	30.77	17.85	14.14	-11.13	17.23
MSCI All Country World Growth Index (net div)	14.93	21.79	-0.30	21.46	0.14	26.01	31.25	16.11	-23.42	29.65

## MIFID II performance standard – 12-month rates of total return (%) as of the period ended

	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23
MFS (gross of fees)	31.86	18.82	15.05	-10.41	18.12
MFS (net of fees)	30.77	17.85	14.14	-11.13	17.23
MSCI All Country World Growth Index (net div)	26.01	31.25	16.11	-23.42	29.65

**Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.** Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different.

See the GIPS Composite Report at the end of this presentation for performance methodology and other information.

The Markets in Financial Instruments Directive (MIFID) is the EU legislation that regulates firms who provide services to clients linked to financial instruments.

Source: Benchmark performance from SPAR, FactSet Research Systems Inc.

It is not possible to invest directly in an index. Index performance will differ from our actively managed strategies, which may involve a higher degree of risk.

Total gross of fee returns include both capital appreciation and reinvestment of income but exclude custody fees.

## CHARACTERISTICS

	MFS	MSCI All Country World Growth Index
<b>Fundamentals - weighted average</b>		
Price/earnings (12 months forward)	25.3x	25.1x
IBES long-term EPS growth <sup>1</sup>	11.5%	17.9%
<b>Market capitalization</b>		
Market capitalization (CAD) <sup>2</sup>	613.4 bn	1,051.6 bn
<b>Diversification</b>		
Number of Issues	28	1,527
<b>Turnover</b>		
Trailing 1 year turnover <sup>3</sup>	36%	—
<b>Risk profile (current)</b>		
Barra predicted tracking error <sup>4</sup>	4.69%	—
<b>Risk/reward (10 year)</b>		
	<b>Gross/Net</b>	
Standard deviation	12.14%/12.14%	13.31%

## TOP 10 HOLDINGS (%)

Security	Sector	MFS	MSCI All Country World Growth Index
MICROSOFT CORP	Information Technology	8.9	7.8
VISA INC	Financials	5.4	1.2
ACCENTURE PLC	Information Technology	5.0	0.3
SCHNEIDER ELECTRIC SE	Industrials	4.6	0.3
ALPHABET INC	Communication Services	4.2	4.6
TJX COS INC/THE	Consumer Discretionary	4.0	—
ANALOG DEVICES INC	Information Technology	4.0	—
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Information Technology	3.7	1.4
BOSTON SCIENTIFIC CORP	Health Care	3.7	0.1
CANADIAN PACIFIC KANSAS CITY LTD	Industrials	3.7	0.2

## SECTOR WEIGHTS UNDERWEIGHT/OVERWEIGHT (%)†

	MSCI All Country World Growth Index
Consumer Staples	5.4
Financials	5.1
Health Care	4.9
Real Estate	2.2
Utilities	-0.3
Communication Services	-1.3
Energy	-1.3
Industrials	-1.5
Materials	-3.1
Consumer Discretionary	-4.5
Information Technology	-6.2

## REGION WEIGHTS (%)†

	MFS	MSCI All Country World Growth Index
North America	77.7	64.9
Emerging Markets	13.9	10.7
Europe ex-U.K.	7.6	13.1
Japan	—	5.5
United Kingdom	—	2.9
Asia/Pacific ex-Japan	—	2.8
Developed - Middle East/Africa	—	0.2

<sup>1</sup> Source: FactSet

<sup>2</sup> Weighted average.

<sup>3</sup> US Turnover Methodology: (Lesser of Purchase or Sales)/Average Month End Market Value

<sup>4</sup> Source Barra. The Barra information may not be redistributed, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. The Barra information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. Barra, each of its affiliates and each other person involved in or related to compiling, computing or creating any Barra information (collectively, the "Barra Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any Barra Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.

† 0.7% Cash & Cash Equivalents.

The information presented is based on an account determined to be representative of the composite's strategy. The representative account's performance is available upon request.

Any mention of specific companies, securities and/or sectors are for information purposes only and should not be construed as investment advice or a recommendation of any nature.

## Important risk considerations

The portfolio's performance could be more volatile than the performance of more diversified portfolios. ■ 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 certain markets can involve greater risk and volatility because of adverse market, currency, economic, industry, political, regulatory, geopolitical, or other conditions. ■ Stock markets and investments in individual stocks are volatile and can decline significantly in response to or investor perception of, issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. ■ Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general.

## Benchmark and vendor disclosures

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The GIPS Composite Report is attached to provide additional information about the strategy, composite, and performance methodology. The funds or other investment vehicles mentioned should not be construed as an offer or solicitation.

**Composite:** MFS Global Growth Concentrated Equity Composite in CAD

**Benchmark:** MSCI AC World Index Growth - Net Return

**Creation Date:** 06-May-2013

**Inception Date:** 01-Apr-2013

**Composite Description:** The MFS Global Growth Concentrated Equity Composite includes all discretionary portfolios managed to the MFS Global Growth Concentrated Equity strategy. The strategy seeks long-term capital appreciation by investing principally in a concentrated portfolio of 20-30 stocks of companies worldwide that have the potential to generate higher earnings growth and returns over the long term than their industry, and whose stock valuations do not fully reflect their long-term growth prospects. Investments in certain markets can involve greater risk and volatility because of adverse market, currency, economic, industry, political, regulatory, geopolitical, or other conditions. Stock markets and investments in individual stocks are volatile and can decline significantly in response to or investor perception of, issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general. 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. The portfolio's performance could be more volatile than the performance of more diversified portfolios.

#### Institutional Separate Accounts Fee Schedule

Asset Breakpoints (CAD)	Fee
For Assets Up To 50 MM	80 bp
For Assets From 50 MM To 100 MM	65 bp
For Assets Over 100 MM	55 bp

Accounts are eligible for inclusion in the composite if they have assets greater than 1 MM USD (1.4 MM CAD). Accounts are included as of their first full month of performance.

Period	Composite and Benchmark Return %			Composite Dispersion	Accounts in Composite at End of Period	Annualized 3-Year Standard Deviation		Assets (CAD million)	
	Gross of fees	Net of fees <sup>^</sup>	Benchmark			Composite	Benchmark	Composite	Firm
2022	-10.41	-11.13	-23.42	n/a	<6	14.25	17.38	\$2.7	\$714,369.6
2021	15.05	14.14	16.11	n/a	<6	11.65	12.60	\$3.0	\$851,837.8
2020	18.82	17.85	31.25	n/a	<6	12.25	13.24	\$3.9	\$763,223.3
2019	31.86	30.77	26.01	n/a	<6	10.91	10.65	\$4.9	\$672,454.2
2018	8.56	7.65	0.14	n/a	<6	11.21	11.04	\$5.4	\$582,573.1
2017	22.95	21.92	21.46	n/a	<6	12.53	11.97	\$5.0	\$615,214.6
2016	1.16	0.30	-0.30	n/a	<6	11.29	11.03	\$4.0	\$570,670.1
2015	19.19	18.20	21.79	n/a	<6	n/a	n/a	\$4.0	\$572,882.1
2014	21.83	20.81	14.93	n/a	<6	n/a	n/a	\$3.3	\$498,295.4
2013**	21.56	20.80	20.86	n/a	<6	n/a	n/a	\$2.7	\$438,005.5

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-2021. 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.

\*\* Indicates partial period.

Total Gross-of-fee returns in CAD (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.

<sup>^</sup>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 CAD. Source of Benchmark Performance: FACTSET®.

MSCI AC World Index Growth - Net Return - a market capitalization-weighted index that is designed to measure equity market performance for growth securities in the global developed and emerging markets.

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 Global Growth Concentrated Equity Composite is a US Dollar based composite available globally. The regional composite depicted here was created on 26-August-2016 for presentation in the Canadian market. Where appropriate, data has been converted to Canadian Dollar and the fees and breakpoints depicted are applicable to clients in this market.

Historical performance results may have differed had the composite included assets of client accounts during these time periods for various reasons including the impact of cash flows.

Prior to 1-Jul-2020, the maximum institutional separate account fee charged for this product was 85 bps.

The composite asset minimum changed from 2MM USD to 1MM USD on 01-Nov-2022.

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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.

Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Massachusetts Financial Services Company. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.