

# MFS® International Growth Concentrated Equity (USD)



## Goal

Seeks to outperform the MSCI AC World ex-U.S. Growth Index (net div) over full market cycles.

## Investment team

### Portfolio Managers

**Matthew Barrett, ASIP**

■ 24 years with MFS

■ 28 years in industry

**Kevin Dwan**

■ 18 years with MFS

■ 26 years in industry

### Institutional Portfolio Managers

**Brett Fleishman**

■ 23 years with MFS

■ 27 years in industry

**Greg Johnsen, CFA**

■ 5 years with MFS

■ 38 years in industry

## Assets under management (USD)

MFS Investment Management® 626.1 billion

MFS® International Growth Concentrated Equity Composite 11.0 million

## Philosophy

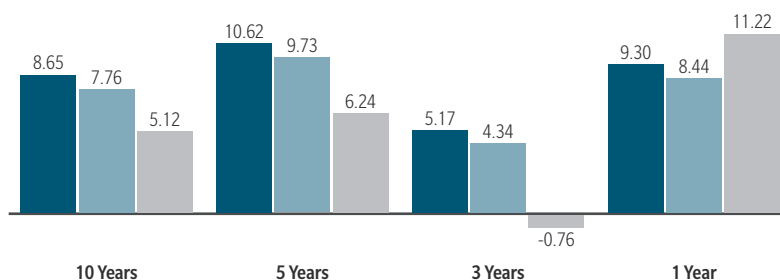
The tenets of our investment philosophy are based upon the following beliefs:

- 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 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 (ex-US) 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 (ex-US) Growth Index (net div)	3.53	4.38	5.93	-1.92
Net vs. MSCI All Country World (ex-US) Growth Index (net div)	2.64	3.49	5.10	-2.78

## Annual performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
MFS (gross of fees)	-3.55	-2.75	4.12	33.16	-6.76	30.90	20.73	12.13	-11.76	14.65	4.35
MFS (net of fees)	-4.37	-3.58	3.24	32.06	-7.55	29.82	19.75	11.24	-12.47	13.75	4.14
MSCI All Country World (ex-US) Growth Index (net div)	-2.65	-1.25	0.12	32.01	-14.43	27.34	22.20	5.09	-23.05	14.03	5.91

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

	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24
MFS (gross of fees)	-5.50	50.67	3.09	3.24	9.30
MFS (net of fees)	-6.31	49.49	2.27	2.42	8.44
MSCI All Country World (ex-US) Growth Index (net div)	-7.31	49.36	-6.16	-6.35	11.22

**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.

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.

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 (ex-US) Growth Index
<b>Fundamentals - weighted average</b>		
IBES long-term EPS growth <sup>1</sup>	9.7%	14.6%
Price/earnings (12 months forward)	20.5x	20.8x
<b>Market capitalization</b>		
Market capitalization (USD) <sup>2</sup>	170.4 bn	138.6 bn
<b>Diversification</b>		
Number of Issues	28	1,246
<b>Turnover</b>		
Trailing 1 year turnover <sup>3</sup>	24%	—
<b>Risk profile (current)</b>		
Barra predicted tracking error <sup>4</sup>	4.31%	—
<b>Risk/reward (10 year)</b>		
	Gross/Net	
Information ratio	0.83/0.62	—
Upside capture	101.37%/99.39%	—
Downside capture	83.36%/85.49%	—

## TOP 10 HOLDINGS (%)

Security	Sector	MFS	MSCI All Country World (ex-US) Growth Index
SCHNEIDER ELECTRIC SE	Industrials	7.3	0.9
SAP SE	Information Technology	7.1	1.5
LINDE PLC	Materials	6.7	—
HITACHI LTD	Industrials	6.5	0.2
LVMH MOET HENNESSY	Consumer Discretionary	6.0	1.8
LOUIS VUITTON SE	Consumer Discretionary	6.0	1.8
NESTLE SA	Consumer Staples	4.9	2.1
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Information Technology	4.4	4.4
ESSILORLUXOTTICA SA	Health Care	4.3	0.3
ROCHE HOLDING AG	Health Care	4.1	0.1
FRANCO-NEVADA CORP	Materials	3.7	0.2

## SECTOR WEIGHTS UNDERWEIGHT/OVERWEIGHT (%)†

	MSCI All Country World (ex-US) Growth Index
Industrials	6.6
Consumer Staples	4.1
Materials	3.9
Energy	1.7
Health Care	0.2
Real Estate	-0.6
Utilities	-0.8
Communication Services	-2.1
Consumer Discretionary	-3.4
Financials	-3.6
Information Technology	-6.7

## REGION WEIGHTS (%)†

	MFS	MSCI All Country World (ex-US) Growth Index
Europe ex-U.K.	56.4	35.3
Emerging Markets	15.1	27.5
North America	13.8	7.4
Japan	6.5	14.8
Asia/Pacific ex-Japan	4.6	6.8
United Kingdom	2.7	7.6
Developed - Middle East/Africa	—	0.5

<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.

† 1.0% Cash &amp; 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. ■ 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 International Growth Concentrated Equity Composite

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

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

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

**Composite Description:** The MFS International Growth Concentrated Equity Composite includes all discretionary portfolios managed to the MFS International Growth Concentrated Equity strategy that do not have extensive guideline restrictions or geographic constraints. The strategy seeks long-term capital appreciation by investing principally in a concentrated portfolio of stocks of companies in developed and emerging economies whose primary activities lie outside the United States. Portfolios in this strategy seek companies with the potential for higher earnings growth and returns than their industry, and whose stock valuations do not fully reflect their long-term growth prospects. Portfolios in this strategy are typically concentrated in 25-35 stocks. 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 (USD)	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. 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 (USD million)	
	Gross of fees	Net of fees <sup>A</sup>	Benchmark			Composite	Benchmark	Composite	Firm
2023	14.65	13.75	14.03	n/a	<6	16.49	17.90	\$12.1	\$575,589.7
2022	-11.76	-12.47	-23.05	n/a	<6	18.87	19.26	\$12.1	\$527,229.5
2021	12.13	11.24	5.09	n/a	<6	15.62	15.23	\$15.7	\$674,375.8
2020	20.73	19.75	22.20	n/a	<6	16.70	16.71	\$14.6	\$599,076.3
2019	30.90	29.82	27.34	n/a	<6	11.19	11.66	\$15.4	\$518,568.9
2018	-6.76	-7.55	-14.43	n/a	<6	10.97	11.72	\$11.5	\$426,543.5
2017	33.16	32.06	32.01	n/a	<6	11.32	11.73	\$20.6	\$491,012.9
2016	4.12	3.24	0.12	n/a	<6	11.89	12.19	\$28.9	\$425,539.8
2015	-2.75	-3.58	-1.25	n/a	<6	n/a	n/a	\$54.2	\$412,412.4
2014	-3.55	-4.37	-2.65	n/a	<6	n/a	n/a	\$30.7	\$430,214.0

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Past performance is no guarantee of future results.

Performance for periods less than one year are not annualized.

Total Gross of fee returns in USD (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 USD. Source of Benchmark Performance: FACTSET ®.

MSCI AC World Index ex USA 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, excluding the U.S.

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.

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.

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 effective 1-Nov-2022.

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