



## Goal

Seeks to outperform the Russell 1000® Value Index over full market cycles and to achieve a competitive ranking relative to peers over the same period.

## Investment team

### Portfolio Managers

**Katherine Cannan**

- 11 years with MFS
- 17 years in industry

**Nevin Chitkara**

- 27 years with MFS
- 31 years in industry

### Institutional Portfolio Manager

**Kate Mead, CFA**

- 26 years with MFS
- 29 years in industry

## Assets under management (USD)

MFS Investment Management® 595.7 billion

MFS® Large Cap Value Concentrated Equity Composite 22.6 million

## Philosophy

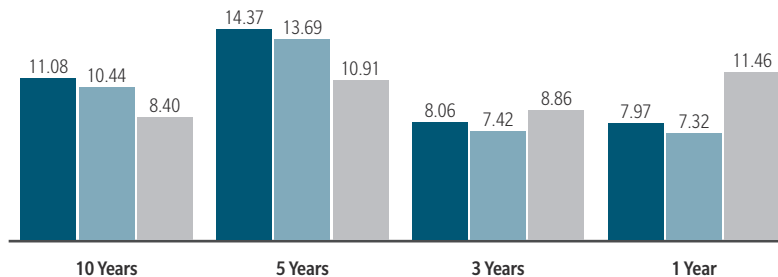
It has been demonstrated over time that valuation is one of the most important drivers of stock price performance. This underlying belief is fundamental to our disciplined valuation approach when evaluating all potential investment opportunities for the MFS Large Cap Value Concentrated Equity portfolio. We also believe that:

- Durability of some businesses and the duration of high returns are often underappreciated
- Applying a disciplined valuation framework in all environments can be a critical source of downside risk mitigation and alpha generation
- Owning durable businesses with strong returns bought at attractive valuations with a long-term horizon may allow for compounding over time

## Performance (%) total return

■ MFS (gross of fees)  
■ MFS (net of fees)  
■ Russell 1000® Value Index

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



	10 Years	5 Years	3 Years	1 Year
Gross vs. Russell 1000® Value Index	2.68	3.46	-0.80	-3.49
Net vs. Russell 1000® Value Index	2.04	2.78	-1.44	-4.14

## Annual performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
MFS (gross of fees)	9.88	0.68	16.87	21.01	-6.55	40.83	10.13	24.53	-6.15	7.97
MFS (net of fees)	9.29	0.13	16.20	20.30	-7.12	40.01	9.47	23.80	-6.72	7.32
Russell 1000® Value Index	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16	-7.54	11.46

## 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)	40.83	10.13	24.53	-6.15	7.97
MFS (net of fees)	40.01	9.47	23.80	-6.72	7.32
Russell 1000® Value Index	26.54	2.80	25.16	-7.54	11.46

**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	Russell 1000 <sup>®</sup> Value Index
<b>Fundamentals - weighted average</b>		
Price/earnings (12 months forward)	16.4x	15.9x
Price/book	2.6x	2.3x
IBES long-term EPS growth <sup>1</sup>	7.2%	7.6%
Return on equity (3-year average)	22.9%	17.0%
Dividend yield	2.4%	2.3%
<b>Market capitalization</b>		
Market capitalization (USD) <sup>2</sup>	130.0 bn	139.2 bn
<b>Diversification</b>		
Top ten issues	42%	17%
Number of Issues	29	849
<b>Risk profile (current)</b>		
Active share	87%	—
<b>Risk/reward (10 year)</b>		
	<b>Gross/Net</b>	
Correlation (monthly)	0.96/0.96	—
Beta	0.90/0.90	—
Standard deviation	14.37%/14.37%	15.39%

TOP 10 HOLDINGS (%)			
Security	Sector	MFS	Russell 1000 <sup>®</sup> Value Index
PROGRESSIVE CORP/THE (EQ)	Financials	5.7	0.1
JPMORGAN CHASE & CO	Financials	4.7	2.4
CIGNA GROUP	Health Care	4.6	0.4
AMERICAN EXPRESS CO	Financials	4.2	0.4
NORTHROP GRUMMAN CORP	Industrials	4.0	0.3
COMCAST CORP	Communication Services	3.9	0.9
LOWE'S COS INC	Consumer Discretionary	3.8	0.2
PROLOGIS INC	Real Estate	3.8	0.6
PIONEER NATURAL RESOURCES CO	Energy	3.8	0.3
ANALOG DEVICES INC	Information Technology	3.8	0.5

### Important risk considerations

The portfolio's performance could be more volatile than the performance of more diversified portfolios. ■ 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. ■ The portfolio's investments can continue to be undervalued for long periods of time, not realize their expected value, and be more volatile than the stock market in general.

### Benchmark and vendor disclosures

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SECTOR WEIGHTS UNDERWEIGHT/OVERWEIGHT (%) <sup>†</sup>	
	Russell 1000 <sup>®</sup> Value Index
Financials	9.4
Utilities	5.5
Consumer Discretionary	1.7
Communication Services	-0.8
Energy	-1.0
Real Estate	-1.2
Consumer Staples	-1.4
Health Care	-2.2
Information Technology	-3.2
Industrials	-3.6
Materials	-4.9

<sup>1</sup> Source: FactSet

<sup>2</sup> Weighted average.

<sup>†</sup> 1.6% 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.

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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 Large Cap Value Concentrated Equity Composite

**Benchmark:** Russell 1000® Value - Total Return

**Creation Date:** 14-May-2012

**Inception Date:** 01-Feb-2012

**Composite Description:** The MFS Large Cap Value Concentrated Equity Composite includes all discretionary portfolios managed to the MFS Large Cap Value Concentrated strategy. The strategy seeks capital appreciation and reasonable income by investing principally in a concentrated portfolio of high-quality large capitalization companies, with durable business franchises, trading at attractive valuations. The strategy focuses on investing in the stocks of companies it believes are undervalued compared to their perceived worth (value companies). The strategy focuses on investing in securities of U.S. companies but may also invest in non-U.S. securities. The portfolio's performance could be more volatile than the performance of more diversified portfolios. 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. The portfolio's investments can continue to be undervalued for long periods of time, not realize their expected value, and be more volatile than the stock market in general.

#### Institutional Separate Accounts Fee Schedule

Asset Breakpoints (USD)	Fee
For Assets Up To 50 MM	60 bp
For Assets From 50 MM To 100 MM	50 bp
For Assets Over 100 MM	45 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
2022	-6.15	-6.72	-7.54	n/a	<6	19.61	21.55	\$23.4	\$527,229.5
2021	24.53	23.80	25.16	n/a	<6	17.12	19.33	\$29.2	\$674,375.8
2020	10.13	9.47	2.80	n/a	<6	18.13	19.90	\$26.3	\$599,076.3
2019	40.83	40.01	26.54	n/a	<6	12.42	12.02	\$29.5	\$518,568.9
2018	-6.55	-7.12	-8.27	n/a	<6	10.91	10.98	\$22.8	\$426,543.5
2017	21.01	20.30	13.66	n/a	<6	9.55	10.34	\$31.2	\$491,012.9
2016	16.87	16.20	17.34	n/a	<6	10.33	10.93	\$37.2	\$425,539.8
2015	0.68	0.13	-3.83	n/a	<6	11.16	10.83	\$54.4	\$412,412.4
2014	9.88	9.29	13.45	n/a	<6	n/a	n/a	\$39.8	\$430,214.0
2013	35.03	34.31	32.53	n/a	<6	n/a	n/a	\$144.6	\$412,240.5

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.

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.

<sup>A</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 USD. Source of Benchmark Performance: FACTSET®.

Russell 1000 Value - Total Return - constructed to provide a comprehensive barometer for the value securities in the large-cap segment of the U.S. equity universe. Companies in this index generally have lower price-to-book ratios and lower forecasted growth values.

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

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