

# MFS® Mid Cap Growth Focused Equity (USD)



## Goal

Outperform the Russell Midcap® Growth Index and mid cap growth peers over full market cycles.

## Investment team

### Portfolio Managers

Eric Braz, CFA

- 17 years with MFS

- 20 years in industry

Eric Fischman, CFA

- 24 years with MFS

- 33 years in industry

### Institutional Portfolio Manager

Laura Granger, CFA

- 2 years with MFS

- 33 years in industry

## Assets under management (USD)

MFS Investment Management® 626.1 billion

MFS® Mid Cap Growth Focused Equity Composite 507.5 million

## Philosophy

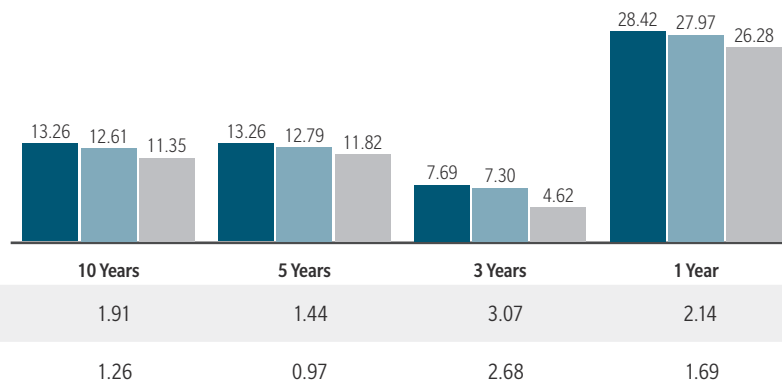
We believe:

- Fundamentals drive earnings and cash flow
- Earnings and cash flow growth drives share price performance over the long term
- Investors often underestimate the rate and duration of growth

## Performance (%) total return

■ MFS (gross of fees)  
■ MFS (net of fees)  
■ Russell Midcap® Growth Index

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



## Annual performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
MFS (gross of fees)	11.16	7.38	3.55	26.71	-0.85	41.76	31.12	20.17	-26.24	23.61	11.10
MFS (net of fees)	10.34	6.59	2.78	25.78	-1.59	40.77	30.64	19.75	-26.51	23.17	11.00
Russell Midcap® Growth Index	11.90	-0.20	7.33	25.27	-4.75	35.47	35.59	12.73	-26.72	25.87	9.50

## 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)	-1.55	51.57	4.25	-6.72	28.42
MFS (net of fees)	-2.16	51.03	3.88	-7.06	27.97
Russell Midcap® Growth Index	-9.45	68.61	-0.89	-8.52	26.28

**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 Midcap® Growth Index
<b>Fundamentals - weighted average</b>		
IBES long-term EPS growth <sup>1</sup>	13.8%	15.6%
Price/earnings (12 months forward)	36.8x	29.6x
<b>Market capitalization</b>		
Market capitalization (USD) <sup>2</sup>	41.0 bn	31.9 bn
<b>Diversification</b>		
Top ten issues	35%	15%
Number of Issues	46	330
<b>Risk profile (current)</b>		
Active share	83%	—
<b>Risk/reward (10 year)</b>		
	<b>Gross/Net</b>	
Alpha	3.17%/2.57%	—
Beta	0.87/0.87	—
Historical tracking error	5.92%/5.92%	—
Downside capture	83.18%/84.42%	—
Upside capture	95.05%/93.83%	—

## TOP 10 HOLDINGS (%)

Security	Sector	MFS	Russell Midcap® Growth Index
CADENCE DESIGN SYSTEMS INC	Information Technology	4.9	—
MONOLITHIC POWER SYSTEMS INC	Information Technology	4.3	0.9
VULCAN MATERIALS CO	Materials	3.7	0.2
MSCI INC	Financials	3.3	0.6
VERISK ANALYTICS INC	Industrials	3.3	1.0
COPART INC	Industrials	3.2	1.5
CONSTELLATION SOFTWARE INC/CANADA	Information Technology	3.2	—
ASM INTERNATIONAL NV	Information Technology	3.2	—
GARTNER INC	Information Technology	3.1	1.1
SPOTIFY TECHNOLOGY SA	Communication Services	2.9	1.1

SECTOR WEIGHTS UNDERWEIGHT/OVERWEIGHT (%)<sup>†,‡</sup>

	Russell Midcap® Growth Index
Information Technology	2.4
Materials	2.4
Industrials	1.1
Real Estate	1.1
Communication Services	1.0
Utilities	-0.4
Health Care	-0.9
Consumer Discretionary	-1.3
Consumer Staples	-1.4
Energy	-2.5
Financials	-2.6

<sup>1</sup> Source: FactSet<sup>2</sup> Weighted average.<sup>†</sup> 1.0% Cash & Cash Equivalents.<sup>‡</sup> 0.0% Other. Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

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. ■ 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 mid-cap companies can be more volatile than investments in larger companies. ■ 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 Mid Cap Growth Focused Equity Composite

**Benchmark:** Russell Midcap® Growth - Total Return

**Creation Date:** 07-Dec-2007

**Inception Date:** 01-Oct-2007

**Composite Description:** The MFS Mid Cap Growth Focused Equity Composite includes all discretionary portfolios managed to the MFS Mid Cap Growth Focused Equity strategy. The strategy seeks to provide long-term growth of capital by investing in a focused portfolio of mid-cap companies whose duration of growth is underappreciated by the market. Emphasis is placed on high-quality, above-average businesses with pricing power and free cash flow growth. Portfolios in this strategy are typically invested in 45-75 stocks that represent the investment team's highest conviction ideas. 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. Investments in mid-cap companies can be more volatile than investments in larger companies. Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general.

#### Institutional Separate Accounts Fee Schedule

Asset Breakpoints (USD)	Fee
For Assets Up To 50 MM	70 bp
For Assets From 50 MM To 100 MM	60 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^	Benchmark			Composite	Benchmark	Composite	Firm
2023	23.61	23.17	25.87	n/a	<6	20.28	21.36	\$460.7	\$575,589.7
2022	-26.24	-26.51	-26.72	n/a	<6	23.20	24.87	\$382.9	\$527,229.5
2021	20.17	19.75	12.73	n/a	<6	17.74	20.47	\$521.9	\$674,375.8
2020	31.12	30.64	35.59	n/a	<6	19.01	21.75	\$449.4	\$599,076.3
2019	41.76	40.77	35.47	n/a	<6	13.37	14.07	\$355.6	\$518,568.9
2018	-0.85	-1.59	-4.75	n/a	<6	12.49	13.00	\$7.1	\$426,543.5
2017	26.71	25.78	25.27	n/a	<6	10.58	11.04	\$11.6	\$491,012.9
2016	3.55	2.78	7.33	n/a	<6	11.15	12.35	\$17.1	\$425,539.8
2015	7.38	6.59	-0.20	n/a	<6	10.72	11.47	\$31.5	\$412,412.4
2014	11.16	10.34	11.90	n/a	<6	9.97	11.02	\$19.0	\$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 ®.

Russell Midcap® Growth - Total Return - constructed to provide a comprehensive barometer for growth securities in the mid-cap segment of the U.S. equity universe. Companies in this index generally have higher price-to-book ratios and higher 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.

From 1-Nov-2010 through 30-Jun-2020, the maximum institutional separate account fee charged for this product was 75 bps.

The composite asset minimum changed from 2MM USD to 1MM USD effective 1-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.



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