

MFS® Research Equity - Industry Neutral (USD)



Goal

The goal of the Research Equity - Industry Neutral strategy is to outperform the Russell 3000® Index over a full market cycle using a diversified US equity approach.

Investment team

Team of Investment Professionals

General Oversight

Joseph MacDougall, CFA

■ 23 years with MFS

■ 29 years in industry

Assets under management (USD)

MFS Investment Management® 626.1 billion

MFS® Research Equity - Industry Neutral Composite 8.7 billion

Philosophy

We believe bottom-up analysis offers the best opportunity to try and identify high-quality (resilient franchise, durable earnings and/or free cash flow, strong balance sheet, and strong management team) companies with above-average, durable earnings growth.

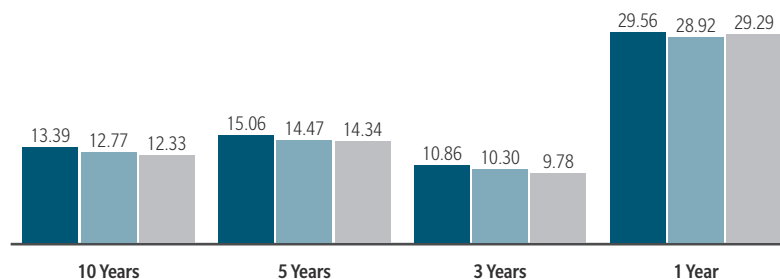
Performance (%) total return

■ MFS (gross of fees)

■ MFS (net of fees)

■ Russell 3000® Index

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



Gross vs. Russell 3000® Index	1.06	0.72	1.08	0.27
Net vs. Russell 3000® Index	0.44	0.13	0.52	-0.37

Annual performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
MFS (gross of fees)	12.27	0.66	12.27	25.74	-3.15	33.95	19.59	26.14	-16.49	23.98	10.59
MFS (net of fees)	11.58	0.05	11.60	25.01	-3.72	33.23	18.96	25.51	-16.91	23.37	10.46
Russell 3000® Index	12.56	0.48	12.74	21.13	-5.24	31.02	20.89	25.66	-19.21	25.96	10.02

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)	-5.33	56.35	12.19	-6.26	29.56
MFS (net of fees)	-5.85	55.55	11.62	-6.74	28.92
Russell 3000® Index	-9.13	62.53	11.92	-8.58	29.29

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 3000® Index
Fundamentals - weighted average		
IBES long-term EPS growth ¹	14.6%	14.4%
Price/earnings (12 months forward)	22.1x	22.0x
Market capitalization		
Market capitalization (USD) ²	669.9 bn	698.9 bn
Diversification		
Top ten issues	31%	28%
Number of Issues	192	2,949
Turnover		
Trailing 1 year turnover ³	34%	—
Risk/reward (10 year)		
	Gross/Net	
Historical tracking error	1.98%/1.98%	—
Standard deviation	14.92%/14.92%	15.61%
Beta	0.95/0.95	—

TOP 10 HOLDINGS (%)			
Security	Sector	MFS	Russell 3000® Index
MICROSOFT CORP	Technology	7.4	6.2
AMAZON.COM INC (EQ)	Consumer Cyclicals	4.0	3.2
ALPHABET INC	Technology	3.5	3.3
NVIDIA CORP	Technology	3.3	4.2
APPLE INC	Technology	3.2	4.9
META PLATFORMS INC	Technology	2.5	2.1
VISA INC	Financial Services	1.7	0.9
JPMORGAN CHASE & CO	Financial Services	1.7	1.1
EXXON MOBIL CORP	Energy	1.7	0.9
ELI LILLY & CO	Health Care	1.6	1.3

SECTOR WEIGHTS UNDERWEIGHT/OVERWEIGHT (%) [†]	Russell 3000® Index
Health Care	0.5
Energy	0.3
Consumer Staples	0.1
Consumer Cyclicals	-0.1
Technology	-0.1
Telecom / CATV	-0.2
Financial Services	-0.3
Capital Goods	-0.8

¹ Source: FactSet

² Weighted average.

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

[†] 0.6% 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.

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

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.

Benchmark and vendor disclosures

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The sectors described and the associated portfolio composition are based on MFS' own sector classification methodology which differs from industry classification standards, including the standard that is associated with the benchmark composition presented. The variance in sector weights between the portfolio and the benchmark would be different if an industry classification standard was used.

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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 Research Equity - Industry Neutral Composite

Benchmark: Russell 3000® - Total Return

Creation Date: 31-Dec-1997

Inception Date: 01-Jan-1997

Composite Description: The MFS Research Equity - Industry Neutral Composite includes all discretionary portfolios managed to the MFS Research Equity - Industry Neutral strategy that seek to outperform the Russell 3000 Index over a full market cycle while maintaining industry neutral weights relative to the index. The strategy seeks to provide long-term growth of capital through investment in a broadly diversified portfolio of mostly larger-capitalization U.S. stocks driven by active stock selection that represents the highest conviction ideas of the MFS Equity Research Analysts. The strategy uses bottom-up analysis to identify high quality (resilient franchises, durable earnings and/or free cash flow growth, strong balance sheet, and strong management team) companies with above average, durable earnings growth potential. 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.

Institutional Separate Accounts Fee Schedule

Asset Breakpoints (USD)	Fee
For Assets Up To 50 MM	55 bp
For Assets From 50 MM To 100 MM	45 bp
For Assets Over 100 MM	40 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	23.98	23.37	25.96	n/a	<6	16.86	17.71	\$6,982.3	\$575,589.7
2022	-16.49	-16.91	-19.21	n/a	<6	20.52	21.79	\$6,080.4	\$527,229.5
2021	26.14	25.51	25.66	n/a	<6	17.33	18.19	\$7,360.5	\$674,375.8
2020	19.59	18.96	20.89	n/a	<6	18.63	19.69	\$5,444.6	\$599,076.3
2019	33.95	33.23	31.02	n/a	<6	11.94	12.38	\$4,114.7	\$518,568.9
2018	-3.15	-3.72	-5.24	n/a	<6	10.89	11.34	\$2,392.1	\$426,543.5
2017	25.74	25.01	21.13	n/a	<6	10.16	10.23	\$2,075.5	\$491,012.9
2016	12.27	11.60	12.74	n/a	<6	10.85	11.04	\$1,746.0	\$425,539.8
2015	0.66	0.05	0.48	n/a	<6	10.69	10.73	\$1,451.2	\$412,412.4
2014	12.27	11.58	12.56	n/a	<6	9.12	9.42	\$1,540.4	\$430,214.0

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-2022. 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.

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 3000® - Total Return - constructed to provide a comprehensive barometer for the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

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 effective 1-Nov-2022.

For purposes of GIPS compliance, the firm is defined as MFS Investment Management (MFS), which is comprised of Massachusetts Financial Services Company and MFS Institutional Advisors, Inc. (MFSI), each of which is a registered investment advisor, MFS Heritage Trust Company, a New Hampshire Trust company, and MFS Investment Management Canada Limited. Total firm assets include assets managed by Massachusetts Financial Services Company, MFSI, MFS Heritage Trust Company and MFS Investment Management Canada Limited as well as assets managed by Massachusetts Financial Services Company and MFSI in a sub-advisory capacity on behalf of affiliated investment advisors that may or may not be registered under the United States Investment Advisers Act of 1940, such as MFS International (U.K.), Ltd. (MIL UK) and MFS Investment Management K.K. (MIMKK), MFS International Singapore Pte. Ltd, MFS International Australia Pty Ltd, and MFS Investment Management Company (Lux) S.à r.l as well as assets managed by Massachusetts Financial Services Company and MFSI on behalf of unaffiliated investment advisors that are not registered under the United States Investment Advisers Act of 1940.

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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