# Massachusetts Investors Growth Stock Fund

(Class R6 Shares)

First quarter 2025 investment report

Joseph Skorski is being added as a portfolio manager, effective July 1, 2019.



PRPEQ-MIG-31-Mar-25

34135.10

# Table of Contents

| Contents | Page |
| --- | --- |


Performance and attribution results are for the fund or share class depicted and do not reflect the impact of your contributions and withdrawals. Your personal performance results may differ.
Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ.

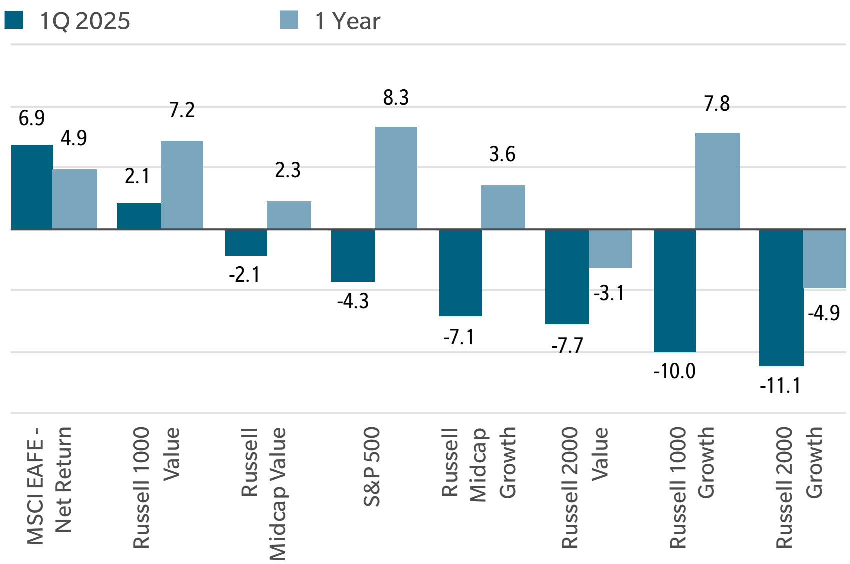
# Fund Risks and Investment Objective

The fund may not achieve its objective and/or you could lose money on your investment in the fund.
**Stock:** 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, environmental, public health, and other conditions.
**Growth:** Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general.
Please see the prospectus for further information on these and other risk considerations.

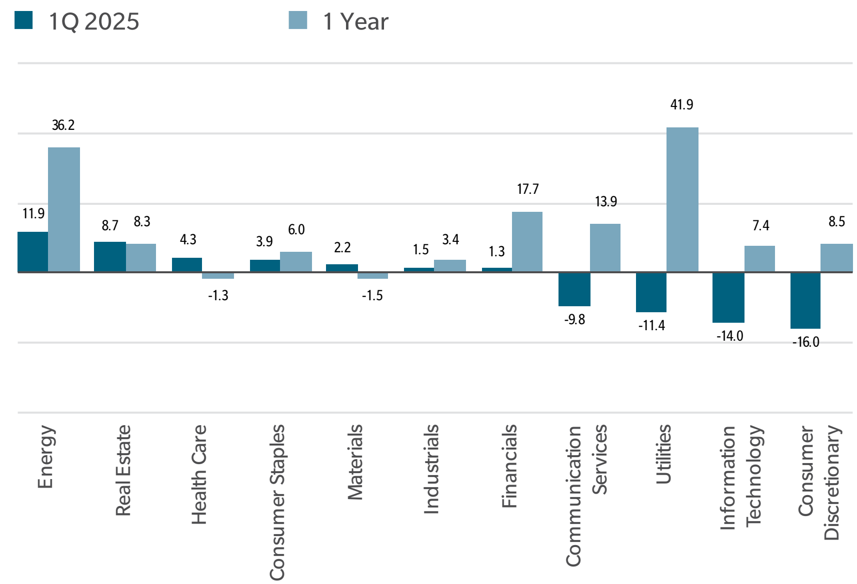
**Investment Objective:** Seeks capital appreciation.

# Market Overview

Style performance (%) (USD) as of 31-Mar-25




Sector performance (%) (USD) as of 31-Mar-25




Past performance is not a reliable indicator for future results.

Source for benchmark performance SPAR, FactSet Research Systems Inc. All indices represent total return unless otherwise noted.

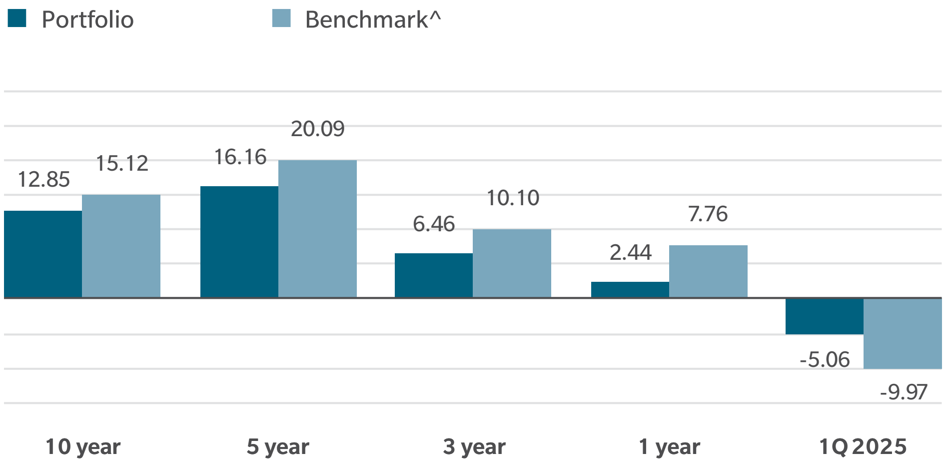
Source: FactSet. Sector performance based on MSCI sector classification. The analysis of Russell 1000® Growth Index constituents are broken out by MSCI defined sectors.

## US equities market review as of 31 March 2025

- The US market, as measured by the S&P 500 Index, finished lower in Q1 2025. While the market started the quarter off with a gain, it moved into official correction territory with a loss of 10% from the third week of February through the middle of March. Investors became concerned about the impact President Trump's tariffs would have on the broader economy, as well as general uncertainty going forward.
- Economic growth in the United States expanded during Q4 2024, with GDP increasing 2.4%. This was lower than Q3 and gave some evidence that the US economy was slowing down. With inflation remaining higher than the US Federal Reserve's 2% goal, the Fed held interest rates steady but left the door open for cuts later in the year.
- For the quarter, value outperformed growth in the large-, mid- and small-cap spaces, with the biggest differential in large caps. Energy, health care and utilities were the best-performing sectors, and consumer discretionary, technology and industrials were the worst.

# Executive Summary

## Performance results (%) R6 shares at NAV (USD) as of 31-Mar-25




**Performance data shown represent past performance and are no guarantee of future results. Investment return and principal value fluctuate so your shares, when sold, may be worth more or less than the original cost; current performance may be lower or higher than quoted. For most recent month-end performance, please visit mfs.com.**

Performance results reflect any applicable expense subsidies and waivers in effect during the periods shown. Without such subsidies and waivers the fund's performance results would be less favorable. All results assume the reinvestment of dividends and capital gains.

Shares are available without a sales charge to eligible investors.

Source for benchmark performance SPAR, FactSet Research Systems Inc.

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

^ Russell 1000® Growth Index

| Sector weights (%) as of 31-Mar-25 | Portfolio | Benchmark^^ |
|---|---|---|
| **Top overweights** | | |
| Financials | 16.0 | 7.7 |
| Health Care | 12.1 | 7.8 |
| Industrials | 9.2 | 4.9 |
| **Top underweights** | | |
| Information Technology | 35.3 | 46.2 |
| Communication Services | 5.5 | 12.7 |
| Consumer Discretionary | 8.4 | 14.9 |

^^ Russell 1000® Growth Index

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

The Massachusetts Investors Growth Stock Fund outperformed the Russell 1000® Growth Index in the first quarter of 2025.

**Contributors**

- Financials - Stock selection and an overweight position
- Information Technology - Stock selection and an underweight position
- Consumer Discretionary - Stock selection and an underweight position
- Individual stocks:
  - Cms Energy Corp
  - Tencent Holdings Limited

**Detractors**

- Industrials - Stock selection
- Individual stocks:
  - Meta Platforms Inc (not held)
  - Eli Lilly & Co (not held)
  - Netflix Inc (not held)
  - Costco Wholesale Corp (not held)

# Performance Results

Performance results (%) R6 shares at NAV (USD) as of 31-Mar-25

| Period | Portfolio | Benchmark^ | Excess return vs benchmark |
|---|---|---|---|
| 1Q 2025 | -5.06 | -9.97 | 4.90 |
| 4Q 2024 | -0.58 | 7.07 | -7.65 |
| 3Q 2024 | 5.70 | 3.19 | 2.52 |
| 2Q 2024 | 2.68 | 8.33 | -5.66 |
| 2024 | 16.75 | 33.36 | -16.60 |
| 2023 | 24.46 | 42.68 | -18.22 |
| 2022 | -18.95 | -29.14 | 10.19 |
| 2021 | 26.66 | 27.60 | -0.94 |
| 2020 | 22.84 | 38.49 | -15.65 |
| 10 year | 12.85 | 15.12 | -2.27 |
| 5 year | 16.16 | 20.09 | -3.93 |
| 3 year | 6.46 | 10.10 | -3.64 |
| 1 year | 2.44 | 7.76 | -5.32 |

**Performance data shown represent past performance and are no guarantee of future results. Investment return and principal value fluctuate so your shares, when sold, may be worth more or less than the original cost; current performance may be lower or higher than quoted. For most recent month-end performance, please visit mfs.com.**
Performance results reflect any applicable expense subsidies and waivers in effect during the periods shown. Without such subsidies and waivers the fund's performance results would be less favorable. All results assume the reinvestment of dividends and capital gains.
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Source for benchmark performance SPAR, FactSet Research Systems Inc.
For periods of less than one-year returns are not annualized.
^ Russell 1000® Growth Index

# Performance Drivers - Sectors

| Relative to Russell 1000® Growth Index (USD) - first quarter 2025 | | Average relative weighting (%) | Portfolio returns (%) | Benchmark returns (%) | Sector allocation[1] (%) + | Stock selection[2] (%) + | Currency effect (%) = | Relative contribution (%) |
|---|---|---|---|---|---|---|---|---|
| Contributors | Financials | 8.4 | 7.8 | 1.3 | 0.9 | 0.9 | -0.0 | 1.8 |
| | Information Technology | -10.2 | -12.1 | -14.0 | 0.4 | 0.7 | -0.0 | 1.1 |
| | Consumer Discretionary | -7.2 | -7.7 | -16.0 | 0.5 | 0.6 | 0.1 | 1.1 |
| | Utilities | 1.8 | 13.6 | -11.4 | 0.1 | 0.4 | — | 0.5 |
| | Real Estate | 1.3 | 18.6 | 8.7 | 0.2 | 0.2 | — | 0.4 |
| | Consumer Staples | 3.1 | 1.4 | 3.9 | 0.4 | -0.1 | — | 0.3 |
| | Communication Services | -7.5 | -8.3 | -9.8 | 0.2 | -0.1 | -0.0 | 0.1 |
| | Cash | 0.6 | 1.0 | — | 0.1 | — | — | 0.1 |
| | Materials | 0.6 | 3.0 | 2.2 | 0.1 | 0.0 | — | 0.1 |
| | Health Care | 4.9 | -1.8 | 4.3 | 0.7 | -0.7 | — | 0.0 |
| Detractors | Industrials | 4.6 | -9.7 | 1.5 | 0.5 | -1.0 | 0.0 | -0.5 |
| | Energy | -0.5 | — | 11.9 | -0.1 | — | — | -0.1 |
| **Total** | | | **-5.0** | **-10.0** | **4.0** | **1.0** | **0.1** | **5.0** |

1 Sector allocation is calculated based upon each security's price in local currency.

2 Stock selection is calculated based upon each security's price in local currency and included interaction effect. Interaction effect is the portion of the portfolio's relative performance attributable to combining allocation decisions with stock selection decisions. This effect measures the relative strength of the manager's convictions. The interaction effect is the weight differential times the return differential.

Attribution results are generated by the FactSet application utilizing a methodology that is widely accepted in the investment industry. Results are based upon daily holdings using a buy-and-hold methodology to generate individual security returns and do not include fees or expenses. As such, attribution results are essentially estimates and do not aggregate to the total return of the portfolio, which can be found elsewhere in this presentation. Recent geopolitical events may have impacted or disrupted the pricing of specific securities including the use of fair valuation approaches. Fair valuation practices across pricing sources – index providers, pricing vendors, MFS - may not align due to security specific considerations or timing of fair valuation parameters. For instance, decisions to use stale prices vs fair value or on the level of haircut when fair valuing securities are typical sources of discrepancy between pricing sources observed during the events. As these securities are bought or sold, the portion of the security's return attributed to the difference between fair value price and trade price will not be recognized in attribution results. These factors may further compound differences between attribution results and actual performance. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, please email DLAttributionGrp@MFS.com.

# Performance Drivers - Stocks

| Relative to Russell 1000® Growth Index (USD) - first quarter 2025 | | Average Weighting (%) Portfolio | Average Weighting (%) Benchmark | Returns (%) Portfolio[1] | Returns (%) Benchmark | Relative contribution(%) |
|---|---|---|---|---|---|---|
| Contributors | Tesla Inc | — | 3.2 | — | -35.8 | 1.0 |
| | Broadcom Limited | — | 3.3 | — | -27.6 | 0.6 |
| | Aon Plc | 2.6 | — | 11.3 | — | 0.5 |
| | Visa Inc | 4.4 | 1.9 | 11.1 | 11.1 | 0.5 |
| | Nvidia Corp | 5.2 | 10.2 | -19.3 | -19.3 | 0.5 |
| Detractors | Meta Platforms Inc | — | 4.8 | — | -1.5 | -0.4 |
| | Eli Lilly & Co | — | 2.3 | — | 7.2 | -0.4 |
| | Netflix Inc | — | 1.4 | — | 4.6 | -0.2 |
| | Costco Wholesale Corp | — | 1.5 | — | 3.3 | -0.2 |
| | Hubbell Inc (Eq) | 1.6 | — | -20.7 | — | -0.2 |

[1] Represents performance for the time period stock was held in portfolio.

Attribution results are generated by the FactSet application utilizing a methodology that is widely accepted in the investment industry. Results are based upon daily holdings using a buy-and-hold methodology to generate individual security returns and do not include fees or expenses. As such, attribution results are essentially estimates and do not aggregate to the total return of the portfolio, which can be found elsewhere in this presentation. Recent geopolitical events may have impacted or disrupted the pricing of specific securities including the use of fair valuation approaches. Fair valuation practices across pricing sources – index providers, pricing vendors, MFS - may not align due to security specific considerations or timing of fair valuation parameters. For instance, decisions to use stale prices vs fair value or on the level of haircut when fair valuing securities are typical sources of discrepancy between pricing sources observed during the events. As these securities are bought or sold, the portion of the security's return attributed to the difference between fair value price and trade price will not be recognized in attribution results. These factors may further compound differences between attribution results and actual performance. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, please email DLAttributionGrp@MFS.com.

# Significant Impacts on Performance - Contributors

| Relative to Russell 1000® Growth Index (USD) - first quarter 2025 | | Relative contribution (%) |
|---|---|---|
| Tesla Inc | Not owning shares of electric vehicle manufacturer Tesla ( United States) benefited relative performance as the stock price declined amid multiple concerns. The stock rallied in the fourth quarter on expectations the new administration would accelerate the deployment of Full Self-Driving (FSD) vehicles and robotaxis. During the quarter, BYD launched its FSD technology, which put pressure on Tesla's leadership position. In addition, demand for Tesla EVs has eroded, causing weakening sales and margin trends. | 1.0 |
| Broadcom Limited | Not owning shares of broadband communications and networking services company Broadcom (United States) benefited relative returns. Despite reporting strong quarterly financial results and a revenue guide ahead of investor expectations, the share price declined amid macroeconomic headwinds and a softening AI backdrop. | 0.6 |
| Aon Plc | The portfolio's position in risk management and human capital consulting services provider Aon (United States) buoyed relative performance as the company reported better-than-expected earnings-per-share on lower-than-expected effective tax payments and announced improved operating margins. Better-than-anticipated organic growth in the commercial risk solutions, reinsurance and wealth solutions segments further helped support the share price. | 0.5 |

# Significant Impacts on Performance - Detractors

| Relative to Russell 1000® Growth Index (USD) - first quarter 2025 | | Relative contribution (%) |
|---|---|---|
| Meta Platforms Inc | Not owning shares of social media platform company Meta Platforms (United States) detracted from relative returns as the stock price declined less than the market average (in U.S. dollar terms). The company reported better-than-expected revenue and earnings growth with improved user engagement enhanced by AI integration. | -0.4 |
| Eli Lilly & Co | Not owning shares of pharmaceutical company Eli Lilly (United States) weakened relative performance. The stock price rose as the company reiterated 2025 revenue guidance, expanded margins, and is set to deliver a strong product pipeline. Phase III trials of an oral GLP-1 medication could potentially be completed in 2025 which further helped to support the stock. | -0.4 |
| Netflix Inc | Not owning shares of internet TV shows and movie subscription services provider Netflix (United States) detracted from relative returns. The stock price rose as the company posted higher-than-expected earnings per share, driven by strong subscriber and revenue performance and solid bottom-line results. | -0.2 |

# Significant Transactions

| From 01-Jan-25 to 31-Mar-25 | | Sector | Transaction type | Trade (%) | Ending weight (%) |
|---|---|---|---|---|---|
| Purchases | POOL CORP | Consumer Discretionary | New position | 0.8 | 0.7 |
| | CME GROUP INC | Financials | New position | 0.7 | 0.8 |
| | STERIS PLC | Health Care | Add | 0.3 | 2.2 |
| | HILTON WORLDWIDE HOLDINGS INC | Consumer Discretionary | Add | 0.3 | 1.2 |
| | EATON CORP PLC | Industrials | Add | 0.3 | 1.9 |
| Sales | ALPHABET INC | Communication Services | Trim | -1.3 | 2.5 |
| | VISA INC | Financials | Trim | -0.8 | 4.3 |
| | ELECTRONIC ARTS INC | Communication Services | Eliminate position | -0.6 | – |
| | BOSTON SCIENTIFIC CORP | Health Care | Trim | -0.3 | 1.3 |
| | STARBUCKS CORP | Consumer Discretionary | Trim | -0.2 | 0.5 |

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# Sector Weights

| As of 31-Mar-25 | Portfolio (%) | Benchmark^ (%) | Underweight/overweight(%) | Top holdings |
|---|---|---|---|---|
| Financials | 16.0 | 7.7 | 8.3 | Visa Inc, Aon PLC, Fiserv Inc |
| Health Care | 12.1 | 7.8 | 4.3 | STERIS PLC, Agilent Technologies Inc, Becton Dickinson & Co |
| Industrials | 9.2 | 4.9 | 4.3 | TransUnion, Eaton Corp PLC, Hubbell Inc |
| Consumer Staples | 7.1 | 3.9 | 3.2 | Church & Dwight Co Inc, PepsiCo Inc, McCormick & Co Inc/MD |
| Utilities | 2.4 | 0.2 | 2.2 | CMS Energy Corp |
| Real Estate | 2.1 | 0.6 | 1.5 | American Tower Corp REIT |
| Materials | 1.2 | 0.7 | 0.5 | Sherwin-Williams Co |
| Energy | - | 0.5 | -0.5 | |
| Consumer Discretionary | 8.4 | 14.9 | -6.5 | NIKE Inc, Ross Stores Inc, LVMH Moet Hennessy Louis Vuitton SE |
| Communication Services | 5.5 | 12.7 | -7.2 | Alphabet Inc Class A, Tencent Holdings Ltd, Walt Disney Co |
| Information Technology | 35.3 | 46.2 | -10.9 | Microsoft Corp, Apple Inc, NVIDIA Corp |

^ Russell 1000® Growth Index

0.8% Cash & Cash Equivalents.

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# Characteristics

| As of 31-Mar-25 | Portfolio | Benchmark^ |
|---|---|---|
| **Fundamentals - weighted average** | | |
| IBES long-term EPS growth [1] | 13.2% | 18.9% |
| Price/earnings (12 months forward) | 23.6x | 26.2x |
| **Market capitalization** | | |
| Market capitalization (USD) [2] | 830.3 bn | 1,399.6 bn |
| **Diversification** | | |
| Top ten issues | 43% | 57% |
| Number of Issues | 55 | 394 |
| **Turnover** | | |
| Trailing 1 year turnover [3] | 18% | — |
| **Risk/reward (10 year)** | | |
| Historical tracking error | 5.75% | — |
| Beta | 0.84 | — |
| Standard deviation | 15.44% | 17.41% |

^ Russell 1000® Growth Index

**Past performance is no guarantee of future results.**

**No forecasts can be guaranteed.**

[1] Source: FactSet

[2] Weighted average.

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

# Top 10 Issuers

| Top 10 Issuers as of 31-Mar-25 | Portfolio (%) | Benchmark^ (%) |
|---|---|---|
| MICROSOFT CORP | 12.6 | 10.3 |
| APPLE INC | 5.4 | 12.0 |
| NVIDIA CORP | 4.7 | 9.3 |
| VISA INC | 4.3 | 2.3 |
| ACCENTURE PLC | 3.3 | — |
| AON PLC | 2.9 | — |
| CHURCH & DWIGHT CO INC | 2.7 | — |
| ALPHABET INC | 2.5 | 6.2 |
| CMS ENERGY CORP | 2.4 | — |
| STERIS PLC | 2.2 | — |
| **Total** | **42.9** | **40.2** |

^ Russell 1000® Growth Index

**PORTFOLIO PERFORMANCE REVIEW**

Equity markets experienced a volatile first quarter of 2025, driven by uncertainty because of geopolitical tensions, tariffs and the potential for a resurgence of inflation, among other things. After impressive gains in the prior two years, the S&P 500 Index reached an all-time high on February 19, 2025, gaining 4.5% by that point However, the market has since experienced a correction, with the index 8.6% below its record close at quarter-end and down 4.4% during the first quarter overall. To put the volatility in perspective, the S&P 500 declined 1% or more on 21% of the trading days this year versus just 11% of trading days over the prior ten years. In contrast with 2024, technology and AI-exposed companies, including those in the Magnificent Seven, led the way down as the technology sector returned -12.6% versus -4.4% for the S&P 500. Growth stocks, with their high exposure to the technology sector and Magnificent Seven, fared worse as the Russell 1000® Growth index returned -10.0% for the quarter.

As you might expect, our GARP-y and conservatively managed large-cap growth portfolio outperformed the growth index by a wide margin in the selloff as we've historically captured less of the downside during periods of heighted volatility. We have consistently been underweight the Mag 7 stocks mentioned above that had comprised 56% of the index but only 29% of our portfolio at the start of the quarter. We remain comfortable being underweight to this higher-valued group of stocks, both for style reasons and because growth in general remains expensive today compared to history. This environment paved the way for a number of the typical GARP-y holdings that had been left behind during the expensive and momentum-driven rally of 2023 to 2024 to shine. For example, our positions in insurance broker Aon, payments network Visa, electric utility CMS Energy, cell tower operator American Tower, and medical equipment company Boston Scientific all delivered positive total returns amid the market selloff.

For some time now, the environment has felt reminiscent of the 2020 time frame, when expensive "stay at home" stocks dominated index returns. We also lagged during this environment where investors were largely unphased by expensive valuations. However, our patience was rewarded in 2022's market drawdown. While market drawdowns occur less frequently than rising markets, when they do occur, the importance of downside risk management becomes clear as relative performance in a down market is more impactful to long-term returns than it is in an up market. At market extremes, we held firm in our belief that the worst action would be to buy the expensive stocks in the index that we intentionally are either underweight or don't own at all. We are optimistic that our strategy is well positioned for long-term outperformance because we believe that valuation eventually matters, and the portfolio holds steady growth compounders where valuation became at a larger-than-normal discount to growth benchmarks given the extreme valuation of megacap tech. In addition, this year's volatility has provided good opportunities to upgrade the quality and growth of the portfolio in a manner that is in keeping with our GARP-y style.

In summary, while the market has been unkind to our style for a number of years, we feel strongly that our style is exactly the type of portfolio that investors should consider in the current environment. We believe considerable risk remains in the growth benchmark today, especially valuation, and as always, we are careful to manage those risks appropriately.

**1Q PORTFOLIO ACTIVITY**

When looking for new ideas, or add ideas, the team continues to focus on high-quality stocks that have recently lagged for nonstructural reasons and therefore present more attractive valuations for us as long-term investors. This focus on recent laggards is aligned with our valuation discipline and, importantly, does not compromise our two other "required to invest" check boxes of attractive quality/durability and growth compounding. Despite the pullback in equities this year, we continued to find plenty of high-quality, GARP-y names we targeted for our portfolio that are attractively priced on a relative basis. We also added to a number of positions with durable growth characteristics that were reasonably-valued due to recent stock price weakness.

During the first quarter, we started new positions in financial exchange CME Group and swimming pool supplies distributor POOLCORP. CME is a dominant futures exchange with a wide competitive moat due to its large liquidity pool that is difficult for a new entrant to recreate. We had previously owned the stock but exited in 2019 when the valuation became too expensive. CME benefits from trading volume fee revenue as a result of increased volatility, not directionality, and from secular growth, to hedge commodity, energy and interest-rate exposure. They essentially have a toll on US economic activity (their futures are tied to the use of debt, equity and commodities) and are primarily levered to US-focused futures (e.g., US short- and long-term treasuries, S&P indices, crude oil). We like that earnings have been very resilient in downturns since they've benefited from volatility to the downside as demand for hedging increases. As an example, the collapse of Silicon Valley Bank was a major boost to interest rate futures volume. Valuation has derated to a market multiple that is back down to the 2008 and 2020 historic troughs as sentiment was weak due to competitive fears (that we view as unfounded) and the risk that market volatility remains muted.

# Portfolio Outlook and Positioning

We believe the swimming pool supply distribution business is a good one, and we are attracted to POOLCORP's strong positioning in the industry along with its durable growth characteristics. The bulk of Pool's customers are small-pool builders or service professionals, so about two-thirds of revenue is from maintenance and repair, which tends to be more recurring and stable. The balance of revenues come from renovation/remodel and new construction. Pool's competitive advantage comes from its high market share, which is three-times the size of its next largest peer, and the scale of its distribution that is needed to handle wide product breadth (Pool carries 200,000 SKU's) to reach its fragmented customers. Customers value being able to receive whatever equipment, parts, materials and chemicals they need quickly and reliably from their 450 sales centers and centralized warehouses. Higher interest rates and weakness in the homebuilding segment led to a slowdown in new pool construction and renovations, leaving Pool's valuation attractive from our long-term perspective. We believe the company will be able to maintain its low double-digit growth compounding over the long term and stands to benefit if new pool installations recover from their cyclical lows. The demographic shift and migration to warmer states where installations and maintenance needs are robust helps support the company's secular growth. Healthy outdoor living and work-from-home trends also appear supportive.

Outside of these new positions, we added to Steris, the leading provider of infection prevention and surgical procedural products and services at an attractive relative valuation. Fundamentals have remained solid since pre-COVID and with the recent ethylene oxide litigation now in the rear view, we expect low-double-digit growth compounding ahead. We continued to build our newer Hilton position at a valuation that appears reasonable. While recessionary concerns have resurfaced recently, we continue to believe in the company's ability to compound above average growth over a full cycle and would likely take the opportunity to add during a downturn. Since the DeepSeek AI news earlier this year, our holdings in electrical equipment names sold off sharply on concerns about the potential for lower-than-expected growth of AI data centers that these companies supply with equipment. The selloff seems to be an overreaction to us, so we added to Eaton and Hubbell on the weakness. Electrical equipment companies have several growth drivers; AI data center is only the most recent -- the others are building efficiency and electrification, electrical grid resilience, reshoring of US manufacturing, megaprojects, and data center growth from cloud adoption.

On the sell side, our biggest change was a continued reduction in our exposure to Alphabet with our seventh trim in the past two years. We're increasingly concerned about the growing risk to Google's long-term search share. DeepSeek is not only the latest example of a new entrant in AI search, but it seems that it has demonstrated optimization techniques available to all AI models today that can dramatically lower the cost of inference, which, if true, lowers the cost to compete in AI search. We had our Electronic Arts exposure down to a small position in 2023 on concerns that the company wasn't tracking along with our investment thesis. Continued weakness in its core sports game franchise FIFA combined with the risk that its updated Battlefield game launch doesn't perform as expected was enough to lead us to exit. After we added to Visa mid last year, the stock has re-rated significantly, so we trimmed back the outperformance of a top 5 position. Similarly, as Boston Scientific's fundamentals have continued to accelerate, so has the stock's valuation multiple. We trimmed back our position size at a 15-year high relative P/E ratio.

In summary, our commitment to our investment process and philosophy remains unchanged. We maintain our long-term investment horizon and focus on owning durable growth compounders where we have high confidence in the sustainability of profits over the long term. We will continue to apply our buy and sell criteria consistently, and our analysis of company fundamentals (and relative valuations) will continue to determine how the portfolio is ultimately positioned. Our objective is to add value for our clients through a series of individual, bottom-up investment decisions, rather than through what we believe are difficult-to-predict macroeconomic events. Additionally, we remain fully invested in the equity markets, since we believe it is challenging to predict equity market returns over the short term.

58981.4

The commentary included in this report was based on a representative fully discretionary portfolio for this product style; as such the commentary may include securities not held in your portfolio due to account, fund, or other limits.

# Portfolio Holdings

| As of 31-Mar-25 | Equivalent exposure (%) |
|---|---|
| **Cash & Cash Equivalents** | **0.8** |
| Cash & Cash Equivalents | 0.8 |
| **Communication Services** | **5.5** |
| Alphabet Inc Class A | 2.5 |
| Tencent Holdings Ltd | 1.8 |
| Walt Disney Co | 1.1 |
| **Consumer Discretionary** | **8.4** |
| NIKE Inc | 1.4 |
| Ross Stores Inc | 1.3 |
| LVMH Moet Hennessy Louis Vuitton SE | 1.2 |
| Hilton Worldwide Holdings Inc | 1.2 |
| TJX Cos Inc | 1.1 |
| Aptiv PLC | 1.1 |
| Pool Corp | 0.7 |
| Starbucks Corp | 0.5 |
| **Consumer Staples** | **7.1** |
| Church & Dwight Co Inc | 2.7 |
| PepsiCo Inc | 1.9 |
| McCormick & Co Inc/MD | 1.4 |
| Estee Lauder Cos Inc | 1.1 |
| **Financials** | **16.0** |
| Visa Inc | 4.3 |
| Aon PLC | 2.9 |
| Fiserv Inc | 1.7 |
| Mastercard Inc | 1.5 |
| Marsh & McLennan Cos Inc | 1.4 |
| Moody's Corp | 1.3 |
| Charles Schwab Corp | 1.1 |
| Brookfield Asset Management Ltd | 1.0 |
| CME Group Inc | 0.8 |
| **Health Care** | **12.1** |
| STERIS PLC | 2.2 |
| Agilent Technologies Inc | 2.0 |
| Becton Dickinson & Co | 1.8 |

| As of 31-Mar-25 | Equivalent exposure (%) |
|---|---|
| **Health Care** | **12.1** |
| Boston Scientific Corp | 1.3 |
| Danaher Corp | 1.2 |
| Mettler-Toledo International Inc | 1.1 |
| ICON PLC | 0.9 |
| Thermo Fisher Scientific Inc | 0.7 |
| Veeva Systems Inc | 0.5 |
| Stryker Corp | 0.5 |
| **Industrials** | **9.2** |
| TransUnion | 1.9 |
| Eaton Corp PLC | 1.9 |
| Hubbell Inc | 1.6 |
| Otis Worldwide Corp | 1.3 |
| Canadian Pacific Kansas City Ltd | 1.0 |
| Schneider Electric SE | 0.9 |
| Graco Inc | 0.7 |
| **Information Technology** | **35.3** |
| Microsoft Corp | 12.6 |
| Apple Inc | 5.4 |
| NVIDIA Corp | 4.7 |
| Accenture PLC | 3.3 |
| Salesforce Inc | 2.1 |
| Amphenol Corp | 1.9 |
| Taiwan Semiconductor Manufacturing Co Ltd ADR | 1.6 |
| TE Connectivity PLC | 1.3 |
| Gartner Inc | 1.0 |
| Analog Devices Inc | 0.9 |
| Texas Instruments Inc | 0.7 |
| **Materials** | **1.2** |
| Sherwin-Williams Co | 1.2 |
| **Real Estate** | **2.1** |
| American Tower Corp REIT | 2.1 |
| **Utilities** | **2.4** |
| CMS Energy Corp | 2.4 |

# Portfolio Holdings

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