MFS® Mid Cap Value Fund

(Class R6 Shares)

Fourth quarter 2025 investment report

NOT FDIC INSURED MAY LOSE VALUE NOT A DEPOSIT

Before investing, consider the fund's investment objectives, risks, charges, and expenses. For a prospectus, or summary prospectus, containing this and other information, contact MFS or view online at mfs.com. Please read it carefully.

©2026 MFS Fund Distributors, Inc., Member SIPC, 111 Huntington Avenue, Boston, MA 02199.

FOR DEALER AND INSTITUTIONAL USE ONLY. Not to be shown, quoted, or distributed to the public.

PRPEQ-MDV-31-Dec-25

34135.11

Table of Contents

Contents	Page
Fund Risks and Investment Objective	1
Market Overview	2
Executive Summary	3
Performance	4
Attribution	5
Significant Transactions	9
Portfolio Positioning	10
Characteristics	11
Portfolio Outlook	13
Portfolio Holdings	18
Additional Disclosures	21

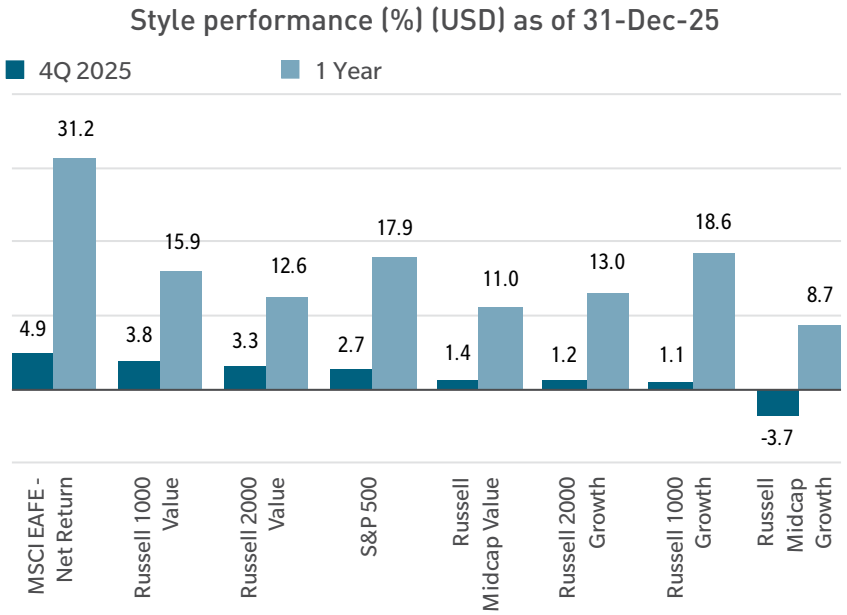
Performance and attribution results are for the fund or share class depicted and do not reflect the impact of your contributions and withdrawals. Your personal performance results may differ.
Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change 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

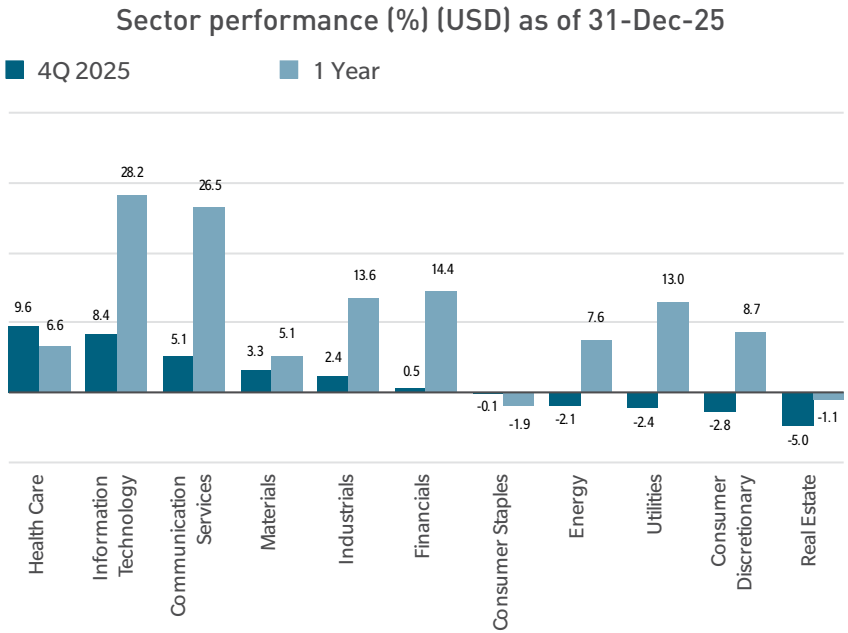
The fund may not achieve its objective and/or you could lose money on your investment in the fund.
Stock: Stock markets and investments in individual stocks are volatile and can decline significantly in response to or investor perception of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions.
Mid-cap: Investments in mid-cap companies can be more volatile than investments in larger companies.
Value: 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.
Please see the prospectus for further information on these and other risk considerations.

Investment Objective: Seeks capital appreciation.

Market Overview



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.



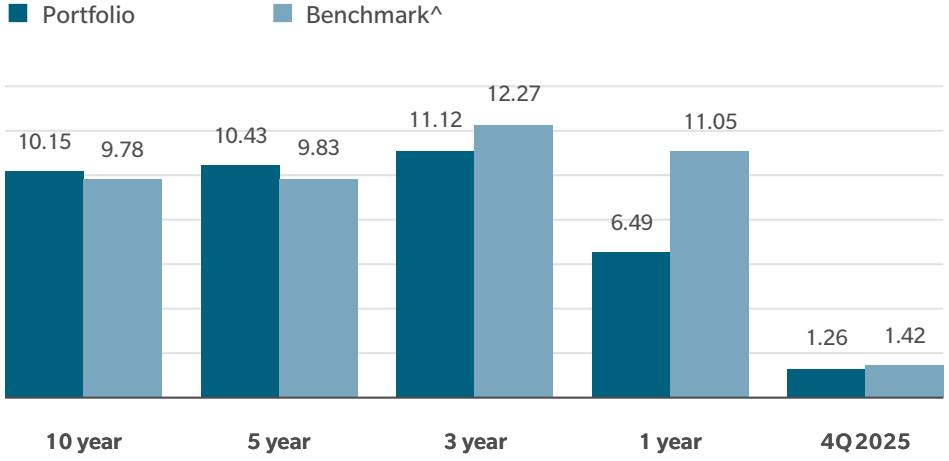
Source: FactSet. Sector performance based on MSCI sector classification. The analysis of Russell Midcap® Value Index constituents are broken out by MSCI defined sectors.

US equities market review as of 31 December 2025

- The US market, as measured by the S&P 500 Index, finished higher in Q4 2025. Despite some small pullbacks during the period — driven by the Federal government shutdown, as well as questions on the pace of rate cuts and future AI spending — the market continued its upward move throughout the quarter. This built upon strong returns in Q2 and Q3, helping 2025 end as the third year in a row of double-digit returns.
- Economic growth in the US accelerated during Q3 2025, with GDP increasing 4.3% (initial estimate). This reflects increases in consumer spending, exports and government spending. However, due to some recent weakness in the labor market, the US Federal Reserve lowered interest rates twice during the quarter, marking three total cuts in 2025, although they signaled a potentially slower pace for additional cuts moving forward.
- For Q4, value outperformed growth in the large-cap, mid-cap and small-cap spaces. However, for the full year, growth outperformed in the large-cap and small-cap spaces. Over the quarter, health care, technology and financials were the best-performing sectors, and real estate, utilities and communication services were the worst.

Executive Summary

Performance results (%) R6 shares at NAV (USD) as of 31-Dec-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 Midcap® Value Index

Sector weights (%) as of 31-Dec-25	Portfolio	Benchmark^^
Top overweights		
Industrials	19.5	17.7
Financials	18.7	17.1
Consumer Discretionary	9.1	8.3
Top underweights		
Communication Services	1.0	3.6
Information Technology	8.5	10.8
Real Estate	7.4	8.7

^^ Russell Midcap® Value 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 MFS Mid Cap Value Fund underperformed the Russell Midcap® Value Index in the fourth quarter of 2025.

Contributors

- Energy - Stock selection
- Real Estate - Stock selection
- Financials - Stock selection
- Consumer Discretionary - Stock selection
- Individual stocks:
  - Jb Hunt Transport Services Inc
  - Flowserve Corp
  - United Rentals Inc (not held)

Detractors

- Information Technology - Stock selection
- Individual stocks:
  - Warner Bros Discovery Inc (not held)
  - Graphic Packaging Holding Co

Performance Results

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

Period	Portfolio	Benchmark^	Excess return vs benchmark
4Q 2025	1.26	1.42	-0.16
3Q 2025	4.47	6.18	-1.71
2Q 2025	3.29	5.35	-2.06
1Q 2025	-2.55	-2.11	-0.44
2025	6.49	11.05	-4.56
2024	14.11	13.07	1.04
2023	12.92	12.71	0.21
2022	-8.64	-12.03	3.39
2021	31.00	28.34	2.67
10 year	10.15	9.78	0.37
5 year	10.43	9.83	0.61
3 year	11.12	12.27	-1.15
1 year	6.49	11.05	-4.56

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 Midcap® Value Index

Performance Drivers - Sectors

Relative to Russell Midcap® Value Index (USD) - fourth quarter 2025		Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation[1] (%) +	Stock selection[2] (%) =	Relative contribution (%)
Contributors	Energy	0.2	4.4	-2.1	-0.0	0.5	0.4
	Real Estate	-1.4	-1.1	-5.0	0.1	0.3	0.4
	Financials	1.1	2.1	0.5	-0.0	0.3	0.3
	Consumer Discretionary	0.5	0.2	-2.8	-0.0	0.3	0.3
	Utilities	0.7	-0.9	-2.4	-0.0	0.1	0.1
	Materials	-0.7	4.2	3.3	-0.0	0.1	0.1
Detractors	Information Technology	-1.9	0.1	8.4	-0.1	-0.7	-0.8
	Health Care	0.9	3.8	9.6	0.1	-0.5	-0.4
	Consumer Staples	0.2	-2.5	-0.1	0.0	-0.2	-0.1
	Industrials	1.7	1.5	2.4	0.0	-0.2	-0.1
	Communication Services	-2.5	1.4	5.1	-0.1	-0.0	-0.1
	Cash	1.0	0.9	—	-0.0	—	-0.0
Total			**1.3**	**1.4**	**-0.1**	**-0.0**	**-0.1**

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. Index futures shown might be used for cash management or hedging purposes. 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 .

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.

Performance Drivers - Stocks

Relative to Russell Midcap® Value Index (USD) - fourth quarter 2025		Average Weighting (%)		Returns (%)		
		Portfolio	Benchmark	Portfolio[1]	Benchmark	Relative contribution(%)
Contributors	Coinbase Global Inc	—	0.6	—	-33.0	0.2
	Robinhood Markets Inc	—	0.9	—	-21.0	0.2
	Jb Hunt Transport Services Inc	0.5	0.1	45.2	45.2	0.1
	Flowserve Corp	0.6	0.1	30.9	30.9	0.1
	Brunswick Corp/De	0.7	0.0	18.2	18.2	0.1
Detractors	Warner Bros Discovery Inc	—	0.6	—	47.6	-0.2
	Western Digital Corp	—	0.6	—	43.6	-0.2
	Graphic Packaging Holding Co	0.7	0.1	-22.5	-22.5	-0.2
	Sandisk Corp/De	—	0.3	—	111.6	-0.2
	Lumentum Holdings Inc	—	0.2	—	126.5	-0.1

[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. Index futures shown might be used for cash management or hedging purposes. 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 - Detractors

Relative to Russell Midcap® Value Index (USD) - fourth quarter 2025		Relative contribution (%)
Warner Bros Discovery Inc	Not owning shares of media and entertainment company Warner Bros. Discovery (United States) detracted from relative returns. The company demonstrated resilience through strong performance at its Studios division, with successful content releases supporting revenue generation. Warner Bros. Discovery benefited from strategic content portfolio management and progress in direct-to-consumer business development. Cost optimization initiatives and diverse content assets also supported operational performance despite broader industry challenges.	-0.2
Western Digital Corp	Not holding shares of computer hard drive maker Western Digital (United States) held back relative performance. The stock price appreciated as management reported improving fundamentals across the hard disk drive and flash storage segments, supported by strong data center customer demand.	-0.2
Graphic Packaging Holding Co	An overweight position in paper-based packaging goods manufacturer Graphic Packaging (United States) detracted from relative returns. The company struggled with volume and pricing pressures in the Americas market, causing it to lower its full-year earnings guidance. Additionally, input cost inflation and an unfavorable product mix, while dealing with reduced customer demand and competitive dynamics that limited pricing power in key segments, further weighed on the stock.	-0.2

Significant Impacts on Performance - Contributors

Relative to Russell Midcap® Value Index (USD) - fourth quarter 2025		Relative contribution (%)
Coinbase Global Inc	Not owning shares of technology and financial infrastructure products and services provider Coinbase Global (United States) benefited relative returns. Despite strong trading volume performance, the company confronted operational challenges from elevated investment requirements and competitive pressures in cryptocurrency trading markets. The company faced margin pressure from increased technology development costs, regulatory compliance expenses, and operational complexity from product expansion initiatives.	0.2
Robinhood Markets Inc	Not owning shares of financial services provider Robinhood Markets (United States) benefited relative returns. The stock price declined due to operational challenges from elevated regulatory compliance costs and competitive pressures in retail brokerage markets. The company faced margin pressure from increased technology investment requirements and customer acquisition costs. Despite strong account growth momentum, competitive dynamics and operational complexity from product expansion initiatives created earnings headwinds.	0.2
Jb Hunt Transport Services Inc	An overweight position in trucking and logistics company J.B. Hunt (United States) benefited relative returns. The company navigated challenging freight market conditions while maintaining operational discipline and strategic positioning for eventual market recovery. The transportation provider focused on efficiency improvements and customer service excellence to preserve market share during cyclical weakness. Management's diversified service offerings across truckload, intermodal, and logistics segments provided stability amid industry headwinds.	0.1

Significant Transactions

From 01-Oct-25 to 31-Dec-25		Sector	Transaction type	Trade (%)	Ending weight (%)
Purchases	INGERSOLL RAND INC (EQ)	Industrials	New position	0.6	0.6
	SOUTHWEST AIRLINES CO	Industrials	New position	0.5	0.6
	SEAGATE TECHNOLOGY HOLDINGS PLC	Information Technology	New position	0.4	0.5
	GENERAC HOLDINGS INC	Industrials	New position	0.4	0.3
	PEABODY ENERGY CORP	Energy	New position	0.3	0.3
Sales	HOWMET AEROSPACE INC	Industrials	Eliminate position	-0.4	–
	ELECTRONIC ARTS INC	Communication Services	Eliminate position	-0.4	–
	TELEFLEX INC	Health Care	Eliminate position	-0.3	–
	HALLIBURTON CO	Energy	Eliminate position	-0.3	–
	ITT INC	Industrials	Trim	-0.2	0.5

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.

Sector Weights

As of 31-Dec-25	Portfolio (%)	Benchmark^ (%)	Underweight/overweight(%)	Top holdings
Industrials	19.5	17.7	1.8	Westinghouse Air Brake Technologies Corp, Allegion plc
Financials	18.7	17.1	1.6	Hartford Insurance Group Inc, Raymond James Financial Inc, Willis Towers Watson PLC
Consumer Discretionary	9.1	8.3	0.8	Ross Stores Inc
Utilities	7.8	7.0	0.8	PG&E Corp, Public Service Enterprise Group Inc
Health Care	8.9	8.3	0.6	Agilent Technologies Inc
Energy	7.0	6.5	0.5	Targa Resources Corp
Consumer Staples	5.9	5.5	0.4	US Foods Holding Corp
Materials	5.6	6.4	-0.8	Avery Dennison Corp
Real Estate	7.4	8.7	-1.3	Jones Lang LaSalle Inc
Information Technology	8.5	10.8	-2.3	Flex Ltd, Corning Inc
Communication Services	1.0	3.6	-2.6	Omnicom Group Inc

^ Russell Midcap® Value Index
0.7% Cash & Cash Equivalents.
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.

Characteristics

As of 31-Dec-25	Portfolio	Benchmark^
Fundamentals - weighted average		
Price/earnings (12 months forward)	14.6x	17.0x
Price/book	2.2x	2.3x
IBES long-term EPS growth [1]	11.1%	11.5%
Return on equity (3-year average)	16.8%	14.7%
Market capitalization		
Market capitalization (USD) [2]	24.4 bn	27.6 bn
Diversification		
Top ten issues	12%	7%
Number of Issues	149	718
Turnover		
Trailing 1 year turnover [3]	23%	—
Risk/reward (10 year)		
Beta	0.96	—
Standard deviation	17.24%	17.85%

^ Russell Midcap® Value 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-Dec-25	Portfolio (%)	Benchmark^ (%)
FLEX LTD	1.3	0.2
CORNING INC	1.3	0.7
HARTFORD FINANCIAL SERVICES GROUP INC/THE	1.3	0.4
AGILENT TECHNOLOGIES INC	1.2	0.4
RAYMOND JAMES FINANCIAL INC	1.2	0.3
PG&E CORP	1.2	0.4
WILLIS TOWERS WATSON PLC	1.1	0.3
TARGA RESOURCES CORP	1.1	—
NORTHERN TRUST CORP	1.1	0.3
WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORP	1.0	0.4
Total	**11.7**	**3.4**

^ Russell Midcap® Value Index

Portfolio Outlook and Positioning

We leverage our fundamental, bottom-up, global research platform to try and identify attractive mid cap value opportunities. The portfolio seeks to invest in predominantly high quality, mid-cap companies trading at attractive valuations. More specifically, key attributes that we look for in an investment include durable business models (high barriers to entry, pricing power, etc.), above average returns and the potential of improving returns, solid balance sheets and management teams that aim to allocate capital prudently and create long-term value. While the majority of the portfolio will consist of high-quality companies, we also consider opportunistic ideas consisting of improvement potential opportunities where fundamentals are temporarily depressed and the company is under-earning and we have identified a pathway to improving fundamentals, and/or low market expectations where stocks are trading at depressed valuations with the potential for multiples to expand.

The S&P 500 had another positive quarter and finished the year up nearly 18% (USD), marking the third straight year of double-digit gains. Market leadership in 2025 looked very similar to 2024 and 2023, with information technology and communication services leading the way as the AI trade dominated market returns. For most of the year, market performance was narrow, with mega-caps providing the best performance (the top 10 stocks drove nearly 60% of the S&P 500 overall performance), but we did see some broadening of performance in the fourth quarter — although the Russell Midcap Value Index underperformed both the Russell 1000® Index and Russell 2000® Index. While growth led in 2025 — particularly cyclical growth — value did outperform in the fourth quarter. However, the Russell Midcap® Value Index underperformed both the Russell 1000® Value and Russell 2000® Value indices. From a factor perspective, it was a tough year for quality, as it lagged behind most other factors.

Turning to the portfolio's performance, the portfolio underperformed the Russell Midcap Value Index for the year and slightly underperformed for the quarter. Underperformance for the year was a combination of factors including not having exposure to crypto, notably not owning electronic trading platform Robinhood Markets, an underweight and weaker stock picking in high-beta stocks, and some underperforming stocks for idiosyncratic reasons. Stock selection within information technology, utilities, and materials detracted from performance. Factor influence was less pronounced in the fourth quarter, and the slight underperformance largely came down to a couple of stock positions. Stock selection in information technology was the biggest detractor to relative performance, as lacking exposure to low-quality, high-beta names with AI exposure — such as Western Digital, Sandisk and Lumentum Holdings — held back relative results.

Portfolio Outlook and Positioning

Looking at positioning as of December 31, 2025, while we focus on stock selection and seek to minimize sector and industry exposures, our largest overweight industries included hotels, restaurants & leisure, financial services, and electronic equipment, instruments & components. Our weighting in hotels, restaurants & leisure is a diverse mix including hotel exposure with Hyatt Hotels (risk/reward stacks up favorably relative to Marriott and Hilton), restaurants with Darden (strong execution), food services with Aramark (secular shift toward outsourcing for food services), and leisure with Viking Holdings (a preferred name in cruise due to strong cash position and resilient consumer profile) and Brightstar Lottery. Our exposure in financial services consists of several life insurers including Voya Financial, Corebridge Financial and Lincoln National. These are better businesses today, given their improved capital positions, higher returns and lower capital intensity. They offer a way to gain exposure in retail annuities in a higher interest rate environment. Our exposure to electronic equipment, instruments and components consist of a diverse mix of generally higher-quality, technology-related businesses that benefit from strong secular trends. For example, we are gaining exposure to attractive growth in datacenters through our positions in Flex and Corning. We started a new position in Coherent, which helped further increase our exposure to datacenters. Coherent is an optical component supplier that has a diversified business across networking and industrial and is benefitting from outsized growth in their networking business from AI infrastructure investments in and around data centers. It is a turnaround story with new management, which appears excellent, driving margin expansion and strengthening the balance sheet. Vertical integration is a competitive advantage allowing them to out-innovate peers, and diversification across networking provides more durability as new technologies emerge. Finally, while it is certainly not cheap, it trades at a discount to stocks exposed to AI in the semi ecosystem, and EPS compounding should drive outperformance from here with the opportunity for multiple expansion.

Conversely, we have no exposure to entertainment, and we are underweight capital markets. Within entertainment, competitive intensity is high. In addition, we sold our position in video game maker Electronic Arts after the company agreed to sell itself to a group of private investors. We are underweight capital markets because we do not own crypto-exposed names such as Coinbase and Robinhood, due to their excessive valuations and market caps.

During the quarter, the largest decrease in relative weighting was in the health care sector as we sold our position in Teleflex, a diversified supplies company within the medtech space. While the stock is optically cheap, the thesis has not played out as we expected — due to weaker revenue growth such as customer order delays and contract losses — and the share price popped upon news of an asset sale. We used this as an opportunity to exit the position and make way to participate in the IPO for Medline. Medline has created a powerful business model that is a symbiotic combination of a med-surg distributor and supplies manufacturer with each business

serving to strengthen and fuel growth for the other. Their low-cost, high-quality and high-margin private label business enables the distribution business to win more prime vendor contracts, and these new distribution customers provide additional opportunities for private label penetration. The virtuous cycle created by these two businesses has enabled the company to grow faster than the market, by taking share while improving their profitability at the same time. Medline has an excellent management team and a highly decentralized org structure with a culture intensely focused on execution to keep customers happy. As distribution competitors weaken further in the near term, we think Medline has a unique opportunity to continue to drive share gains over the next couple of years, helping drive sustainable topline growth.

The largest increase to relative weighting occurred in the energy sector, as we started a new position in energy services company Baker Hughes. This provides better exposure to emerging energy trends particularly natural gas — than Halliburton, which we sold. Baker Hughes' acquisition of Chart Industries helps Baker Hughes solidify its dominance in the entire LNG infrastructure ecosystem while also further diversifying away from traditional oil and gas toward industrials, and high-grading the portfolio across all key metrics, including topline growth, recurring service revenue mix, ROIC and margins. Overall, we like the Baker Hughes CEO, and we are constructive on natural gas fundamentals. We believe Baker Hughes is well situated to benefit. We also started a new position in coal producer Peabody Energy, as rising US energy demand will likely delay coal generation retirements and extend both the magnitude and duration of free cash flow (FCF) from US thermal coal producer assets. In addition, there are multiple drivers for higher thermal coal pricing in the US, including increased coal demand to support or lower consumer electricity prices and higher natural gas prices driven by the LNG ramp. Peabody also has some exposure to rare earth elements. Finally, with a net cash balance sheet, Peabody will begin allocating FCF toward a buyback, which will be highly accretive to FCF per share.

After working with our quantitative group, we came to the determination we were under-exposed to AI, in particular higher-beta AI. As a result, we looked for opportunities to prudently close this gap, and we added a mix of higher and lower beta AI names including Coherent, Seagate Technologies, Generac Holdings, Talen Energy, Peabody Energy and Baker Hughes.

Coherent is an optical component supplier that has a diversified business across networking and industrial and is benefitting from outsized growth in their networking business from AI infrastructure investments in and around data centers. It is a turnaround story with new management, which appears excellent, driving margin expansion and strengthening the balance sheet. Vertical integration is a competitive advantage allowing them to out-innovate peers, and diversification across networking provides more durability as new

technologies emerge. Finally, while it is certainly not cheap, it trades at a discount to stocks exposed to AI in the semi ecosystem, and EPS compounding should drive outperformance from here with the opportunity for multiple expansion. Seagate Technology Holdings is another stock driven by hyperscaler capex spending. We like the national duopoly with Western Digital in hard disk drive (HDD) storage, have increased confidence in the business's longevity now that it is focused on cloud rather than PC, expect margin improvement from a positive mix shift, and see improving ROIC. Seagate's new HAMR technology provides a huge GM mix shift tailwind, as data storage continues to grow and should explode as more AI images and videos are stored. We believe the valuation is compelling, especially when factoring in a balance sheet that should have less than one turn of leverage by fiscal year 2026.

In the industrials sector, to help close our underweight to AI we started a new position in power generation equipment company Generac Holdings. Generac has long been known for its dominant brand in home standby generators, but they have recently launched a backup diesel generator product for data centers, and they are rapidly taking share because they have available capacity when the incumbents don't. We believe the build out of this product is the first step for Generac in meeting the power needs of data centers. While this will directly benefit their commercial and industrial segment, there is an indirect benefit from the AI power demand which will stress grids, leading to a lack of reliability and more outages that will drive demand for their core home generator business over time. We also started a new position in multi-industrial company Ingersoll-Rand. Ingersoll-Rand is a very well run, high-quality industrial company with a unique M&A engine that can create long-term value. Business quality is underpinned by strong market positions in mission-critical industrial categories such as compressors, blowers and vacuums, and niche pumps. End markets are now more normal after a much-needed reset over the last several quarters, and we believe the probability of their markets being overheated is much lower today. In addition, Ingersoll-Rand's life sciences business has endured a period of destocking and normalization post-Covid and should be well positioned to return to growth. Finally, valuation is attractive and is towards the lower end of its history relative to the S&P 500 and the equal weighted index. We started a new position in Southwest Airlines. Southwest is adopting several self-help initiatives including greater cabin segmentation, bag fees, international partnerships, rationalized capex and fleet monetization to drive improved results. In addition, they are buying back stock, and we believe EPS power is much higher than current street estimates. We sold our position in Howmet Aerospace, which provides advanced engineered solutions for the aerospace and transportation industries, as strong performance led to a full valuation and larger market cap. We also sold our position in trucking company Knight-Swift Transportation Holdings given a revenue/cost environment that remains challenging in truckload.

Portfolio Outlook and Positioning

Within utilities, we started a new position in independent power producer Talen Energy as we like the setup for power prices to go higher over time. Talen is an IPP based in the Ohio/Pennsylvania PJM region with a mix of baseload natural gas power plants, high peak natural gas plants and a large nuclear plant that has been signed to Amazon under a PPA contract.

The US is rotating from the austerity of tariffs to the stimulative effect of fiscal and monetary policy with tax cuts and Fed rate cuts on deck for 2026. In addition, the major underpinnings of the bull market (strong profits, labor market holding up, supportive financial conditions), remain intact. In expansionary phases such as this, leadership typically comes from earnings momentum, price momentum, beta and growth factors which is essentially what we saw for much of last year. An economic recovery prompted by policy stimulus may provide conditions for the market to broaden, and we did see signs of this in the fourth quarter. However, broad-based market valuations now reflect a positive view and the expected outcomes of lower rates, fiscal stimulus and higher EPS growth, and profit margins have never been higher than they are today. Items that could derail this narrative would include a shift in policy, a bursting of the AI bull case, or higher interest rates. We take an active, bottom-up oriented approach to equity investing with an emphasis on high-quality franchises combined with a valuation discipline, while allocating a portion of the portfolio to more opportunistic ideas, which aims to serve the strategy well moving forward.

51167.17

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-Dec-25	Equivalent exposure (%)
Cash & Cash Equivalents	**0.7**
Cash & Cash Equivalents	0.7
Communication Services	**1.0**
Omnicom Group Inc	0.6
Nexstar Media Group Inc	0.4
Consumer Discretionary	**9.1**
Ross Stores Inc	1.0
PulteGroup Inc	1.0
Aptiv PLC	1.0
Brunswick Corp/DE	0.8
Hyatt Hotels Corp	0.8
Viking Holdings Ltd	0.8
Aramark	0.8
LKQ Corp	0.6
Mohawk Industries Inc	0.5
Darden Restaurants Inc	0.5
Mattel Inc	0.5
Brightstar Lottery PLC	0.4
Group 1 Automotive Inc	0.2
Newell Brands Inc	0.2
Consumer Staples	**5.9**
US Foods Holding Corp	1.0
Kenvue Inc	0.8
Sysco Corp	0.7
Coca-Cola Europacific Partners PLC	0.6
Hershey Co	0.6
Albertsons Cos Inc	0.6
Ingredion Inc	0.6
BJ's Wholesale Club Holdings Inc	0.5
Campbell's Company	0.3
Brown-Forman Corp	0.3
Energy	**7.0**
Targa Resources Corp	1.1
Expand Energy Corp	1.0

As of 31-Dec-25	Equivalent exposure (%)
Energy	**7.0**
Valero Energy Corp	0.9
Permian Resources Corp	0.8
Diamondback Energy Inc	0.8
TechnipFMC PLC	0.8
Plains GP Holdings LP	0.6
Chord Energy Corp	0.4
Baker Hughes Co	0.3
Peabody Energy Corp	0.3
Financials	**18.7**
Hartford Insurance Group Inc	1.3
Raymond James Financial Inc	1.2
Willis Towers Watson PLC	1.1
Northern Trust Corp	1.1
M&T Bank Corp	1.0
Assurant Inc	0.9
Regions Financial Corp	0.8
American International Group Inc	0.8
Hanover Insurance Group Inc	0.8
Fidelity National Information Services Inc	0.8
Lincoln National Corp	0.8
East West Bancorp Inc	0.8
Voya Financial Inc	0.7
Fifth Third Bancorp	0.7
Corebridge Financial Inc	0.7
SLM Corp	0.7
Global Payments Inc	0.7
Synchrony Financial	0.6
Carlyle Group Inc	0.6
Everest Group Ltd	0.6
TPG Inc	0.6
Columbia Banking System Inc	0.5
Prosperity Bancshares Inc	0.5

Portfolio Holdings

As of 31-Dec-25	Equivalent exposure (%)
Financials	**18.7**
Equitable Holdings Inc	0.4
Health Care	**8.9**
Agilent Technologies Inc	1.2
Cencora Inc	0.9
Humana Inc	0.8
Becton Dickinson & Co	0.8
Universal Health Services Inc	0.7
STERIS PLC	0.7
Labcorp Holdings Inc	0.6
ICON PLC	0.5
Cooper Cos Inc	0.5
GE HealthCare Technologies Inc	0.5
Revvity Inc	0.5
Biogen Inc	0.5
Avantor Inc	0.4
Medline Inc	0.3
Organon & Co	0.2
Industrials	**19.5**
Westinghouse Air Brake Technologies Corp	1.0
Allegion plc	1.0
L3Harris Technologies Inc	0.9
Pentair PLC	0.9
Delta Air Lines Inc	0.8
Jacobs Solutions Inc	0.8
nVent Electric PLC	0.8
Leidos Holdings Inc	0.8
TransUnion	0.7
AGCO Corp	0.7
GFL Environmental Inc	0.7
Regal Rexnord Corp	0.7
Boeing Co	0.6
Southwest Airlines Co	0.6

As of 31-Dec-25	Equivalent exposure (%)
Industrials	**19.5**
Otis Worldwide Corp	0.6
Flowserve Corp	0.6
PACCAR Inc	0.6
FedEx Corp	0.6
Hubbell Inc	0.6
JB Hunt Transport Services Inc	0.6
Nordson Corp	0.6
Alaska Air Group Inc	0.6
INGERSOLL-RAND INC	0.6
Stanley Black & Decker Inc	0.6
Ferguson Enterprises Inc	0.6
ITT Corp	0.5
KBR Inc	0.4
Builders FirstSource Inc	0.4
Generac Holdings Inc	0.3
StandardAero Inc	0.2
Information Technology	**8.5**
Flex Ltd	1.3
Corning Inc	1.3
NXP Semiconductors NV	0.7
Check Point Software Technologies Ltd	0.6
CDW Corp/DE	0.6
TE Connectivity PLC	0.6
Entegris Inc	0.5
Zebra Technologies Corp	0.5
Cognizant Technology Solutions Corp	0.5
Seagate Technology Holdings PLC	0.5
Qnity Electronics Inc	0.5
Coherent Corp	0.5
Skyworks Solutions Inc	0.3
Pegasystems Inc	0.3

Portfolio Holdings

As of 31-Dec-25	Equivalent exposure (%)
Materials	**5.6**
Avery Dennison Corp	0.7
Graphic Packaging Holding Co	0.6
Eastman Chemical Co	0.6
Nucor Corp	0.6
Ashland Inc	0.6
International Flavors & Fragrances Inc	0.6
Amcor PLC	0.5
International Paper Co	0.5
DuPont de Nemours Inc	0.5
James Hardie Industries PLC	0.4
Real Estate	**7.4**
Jones Lang LaSalle Inc	0.9
Extra Space Storage Inc REIT	0.8
Ventas Inc REIT	0.8
Brixmor Property Group Inc REIT	0.8
VICI Properties Inc REIT	0.8
WP Carey Inc REIT	0.8
Equity LifeStyle Properties Inc REIT	0.7
Essex Property Trust Inc REIT	0.7
Mid-America Apartment Communities Inc REIT	0.6
Rexford Industrial Realty Inc REIT	0.5
Utilities	**7.8**
PG&E Corp	1.2
Public Service Enterprise Group Inc	1.0
CMS Energy Corp	0.9
Alliant Energy Corp	0.9
Sempra	0.8
CenterPoint Energy Inc	0.8
Pinnacle West Capital Corp	0.8
Atmos Energy Corp	0.7
Evergy Inc	0.5
Talen Energy Corp	0.2

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.

Additional Disclosures

Frank Russell Company ("Russell") is the source and owner of the Russell Index data contained or reflected in this material and all trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

The views expressed in this [report, presentation, speech, etc.] are those of MFS, and are subject to change at any time. These views should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any MFS investment product.
Past performance is no guarantee of future results. No forecasts can be guaranteed.