

A horizontal decorative bar with a red-to-maroon gradient, featuring a geometric, faceted design on the left side that tapers into a solid red line.

# MFS® Research International 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](https://mfs.com). Please read it carefully.

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PRPEQ-RIF-31-Dec-25

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Country and region information contained in this report is based upon MFS classification methodology which may differ from the methodology used by individual benchmark providers.

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.

**International:** Investments in foreign markets can involve greater risk and volatility than U.S. investments because of adverse market, currency, economic, industry, political, regulatory, geopolitical, or other conditions.

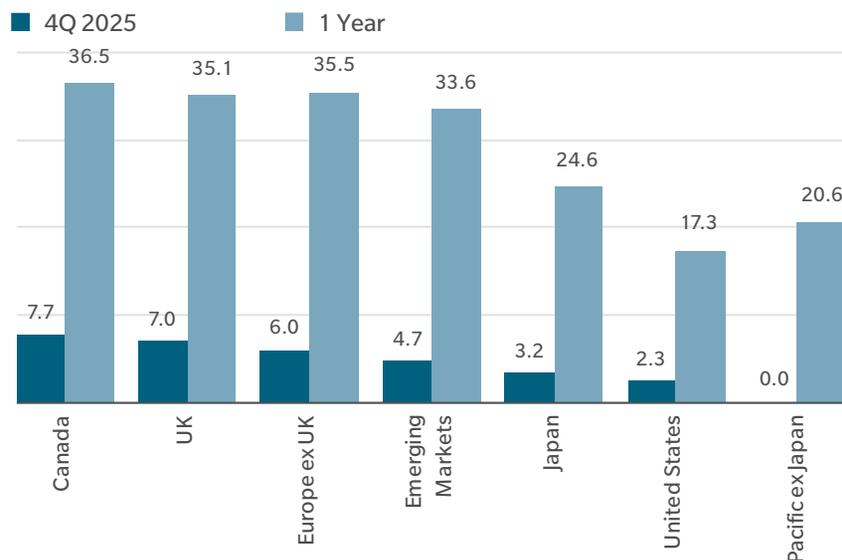
Please see the prospectus for further information on these and other risk considerations.

**Investment Objective:** Seeks capital appreciation.

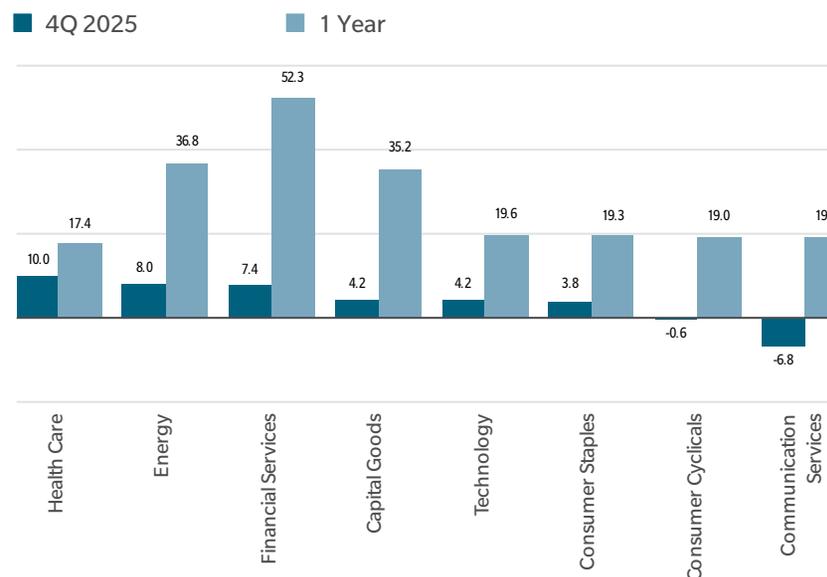
# Market Overview



Region performance (%) (USD) as of 31-Dec-25



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



Past performance is not a reliable indicator for future results.  
 Source: FactSet. Region performance based on MSCI regional/country indexes.

Source: FactSet. Sector performance based on Global Research sector classification.  
 The analysis of MSCI EAFE Index constituents are broken out by MFS defined sectors.

## Global Equities Market Review as of 31-Dec-25

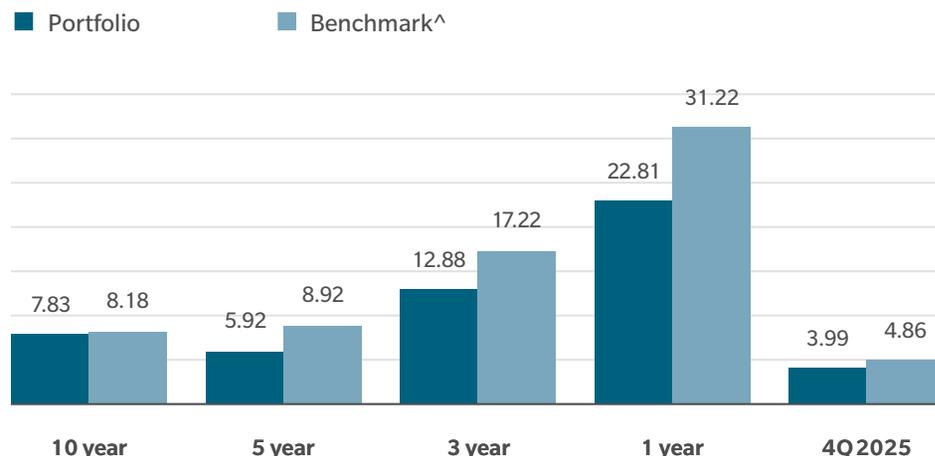
- The global equity market finished 2025 near all-time highs, despite volatility in Q4 driven by concerns over an AI bubble, investors rotating between sectors and regions, and uncertainty surrounding US Fed policy.
- Value modestly outperformed in Q4 but slightly lagged behind growth for the full year globally, although value significantly outperformed growth in Europe and Japan over both periods.
- The lagged effects of the global rate-cut cycle and current fiscal policies may support continued strength in earnings and equity markets, despite elevated valuations.

- Key risks include AI capex slowing or disappointing, uncertainty regarding policy rates, geopolitical tensions, the US mid-term elections, tariffs, and the bond market’s reaction to fiscal stimulus or inflation.

# 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](https://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.

^ MSCI EAFE (Europe, Australasia, Far East) Index (net div)

Sector weights (%) as of 31-Dec-25

	Portfolio	Benchmark^^
<b>Top overweights</b>		
Technology	11.5	11.3
Communication Services	4.4	4.3
Consumer Cyclical	8.4	8.3
<b>Top underweights</b>		
Health Care	9.8	10.8
Capital Goods	24.1	24.9
Financial Services	26.6	27.1

^^ MSCI EAFE Index

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.

The MFS Research International Fund underperformed the MSCI EAFE (Europe, Australasia, Far East) Index (net div) in the fourth quarter of 2025.

### Contributors

- Technology - Stock selection
- Consumer Cyclical - Stock selection
- Individual stocks:
  - Roche Holding Ltd
  - NatWest Group PLC
  - Barclays PLC

### Detractors

- Capital Goods - Stock selection
- Individual stocks:
  - AstraZeneca PLC (not held)
  - Wolters Kluwer Nv

# Performance Results



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

Period	Portfolio	Benchmark <sup>^</sup>	Excess return vs benchmark
4Q 2025	3.99	4.86	-0.86
3Q 2025	1.47	4.77	-3.30
2Q 2025	10.84	11.78	-0.93
1Q 2025	5.00	6.86	-1.87
2025	22.81	31.22	-8.41
2024	3.19	3.82	-0.63
2023	13.50	18.24	-4.74
2022	-17.24	-14.45	-2.79
2021	12.01	11.26	0.74
10 year	7.83	8.18	-0.35
5 year	5.92	8.92	-3.00
3 year	12.88	17.22	-4.34
1 year	22.81	31.22	-8.41

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

<sup>^</sup> MSCI EAFE (Europe, Australasia, Far East) Index (net div)

# Performance Drivers - Sectors



Relative to MSCI EAFE Index (USD) - fourth quarter 2025		Average relative weighting (%)	Portfolio returns (%)	Benchmark returns (%)	Sector allocation <sup>1</sup> (%)	+ Stock selection <sup>2</sup> (%)	+ Currency effect (%)	= Relative contribution (%)
<b>Contributors</b>	Technology	0.3	10.0	4.2	-0.0	0.8	-0.1	0.7
	Consumer Cyclical	0.1	4.0	-0.6	-0.0	0.4	0.0	0.4
	Financial Services	-0.3	7.9	7.4	0.0	0.2	-0.0	0.2
	Communication Services	-0.1	-5.9	-6.8	0.0	-0.0	0.0	0.1
<b>Detractors</b>	Capital Goods	-0.7	-0.1	4.2	0.0	-1.1	0.0	-1.0
	Health Care	-0.8	6.8	10.0	-0.1	-0.2	-0.0	-0.3
	Energy	-0.1	6.3	8.0	0.0	-0.1	0.0	-0.1
	Cash	1.6	0.9	—	-0.1	—	0.0	-0.0
	Consumer Staples	-0.0	3.8	3.8	-0.0	0.0	0.0	-0.0
<b>Total</b>			<b>4.6</b>	<b>4.9</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.0</b>	<b>-0.3</b>

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](mailto:DLAttributionGrp@MFS.com).

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.

# Performance Drivers - Stocks



Relative to MSCI EAFE Index (USD) - fourth quarter 2025		Average Weighting (%)		Returns (%)		Relative contribution(%)
		Portfolio	Benchmark	Portfolio <sup>1</sup>	Benchmark	
<b>Contributors</b>	Roche Holding Ltd	2.8	1.4	26.8	26.7	0.3
	Samsung Electronics Co, Ltd	0.8	—	39.6	—	0.2
	NatWest Group PLC	1.8	0.3	24.9	24.9	0.2
	Barclays PLC	1.9	0.4	25.3	25.3	0.2
	Hitachi Ltd	2.6	0.7	17.5	17.5	0.2
<b>Detractors</b>	Linde Plc	1.7	—	-9.9	—	-0.3
	AstraZeneca PLC	—	1.4	—	23.2	-0.2
	Thales SA	1.0	0.1	-13.5	-13.5	-0.2
	Wolters Kluwer Nv	0.7	0.1	-24.0	-24.0	-0.2
	Mtu Aero Engines Ag	1.3	0.1	-9.1	-9.1	-0.2

<sup>1</sup> 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](mailto:DLAttributionGrp@MFS.com).

## Significant Impacts on Performance - Detractors



Relative to MSCI EAFE Index (USD) - fourth quarter 2025		Relative contribution (%)
<b>Linde Plc</b>	The portfolio's position in industrial gas supplier Linde (United States) weakened relative returns. The company encountered operational challenges from industrial recession impacts and demand softness across key end markets, including chemicals and manufacturing. Linde faced margin pressure from elevated operational costs and competitive dynamics in core geographic regions. Currency translation effects and supply chain complexities added headwinds that constrained earnings consistency despite solid operational execution.	-0.3
<b>AstraZeneca PLC</b>	Not owning shares of biopharmaceutical company AstraZeneca (United Kingdom) detracted from relative performance. The stock price rose as the company posted above-consensus third-quarter revenue and earnings results, driven by strong performance in its oncology segment.	-0.2
<b>Thales SA</b>	An overweight position in electronic equipment manufacturer Thales (France) held back relative returns. The company experienced margin pressure from production ramp-up costs at the Weeze location for F-35 fuselage manufacturing, which weighed on operating performance despite strong order intake momentum. The aerospace and defense contractor faced increased investment requirements for digitalization projects and soldier systems replacements, creating near-term margin compression. Currency translation effects and supply chain complexities in key defense programs created additional operational challenges during the reporting period.	-0.2

## Significant Impacts on Performance - Contributors



Relative to MSCI EAFE Index (USD) - fourth quarter 2025		Relative contribution (%)
<b>Roche Holding Ltd</b>	An overweight position in pharmaceutical and diagnostic company Roche Holding (Switzerland) bolstered relative returns as the company maintained strong commercial performance driven by its diversified portfolio of growth products across multiple therapeutic areas. The pharmaceutical company's leading products, including Phesgo and Xolair, generated substantial revenue contributions from all geographic regions.	0.3
<b>Samsung Electronics Co, Ltd</b>	Holding shares of microchip and electronics manufacturer Samsung Electronics (South Korea) contributed to relative returns. Management reported strong quarterly revenue results, driven by memory business strength, particularly in high-bandwidth memory, increased sales for commodity DRAM and NAND, and server solid-state drive products. The company demonstrated strong performance across multiple business segments, including semiconductors and device solutions.	0.2
<b>NatWest Group PLC</b>	An overweight position in international banking and financial services provider NatWest Group (United Kingdom) contributed to relative returns. The company delivered strong quarterly performance with significant net income growth supported by positive operating leverage. The British bank demonstrated revenue expansion that clearly outpaced operating expense increases, thanks to strong deposit margin performance and effective cost management.	0.2

## Significant Transactions



From 01-Oct-25 to 31-Dec-25		Sector	Transaction type	Trade (%)	Ending weight (%)
<b>Purchases</b>	MIZUHO FINANCIAL GROUP INC	Financial Services	New position	2.5	2.7
	NOVARTIS AG	Health Care	New position	1.8	1.8
	ING GROEP NV	Financial Services	New position	1.5	1.5
	HALEON PLC (EQ)	Consumer Staples	New position	1.3	1.4
	BPER BANCA	Financial Services	New position	1.3	1.4
<b>Sales</b>	NESTLE SA	Consumer Staples	Eliminate position	-2.0	-
	ABN AMRO BANK NV	Financial Services	Eliminate position	-1.8	-
	mitsubishi UFJ FINANCIAL GROUP INC	Financial Services	Eliminate position	-1.6	-
	NOVO NORDISK A/S	Health Care	Eliminate position	-1.2	-
	SANOFI SA	Health Care	Eliminate position	-1.1	-

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# Sector Weights

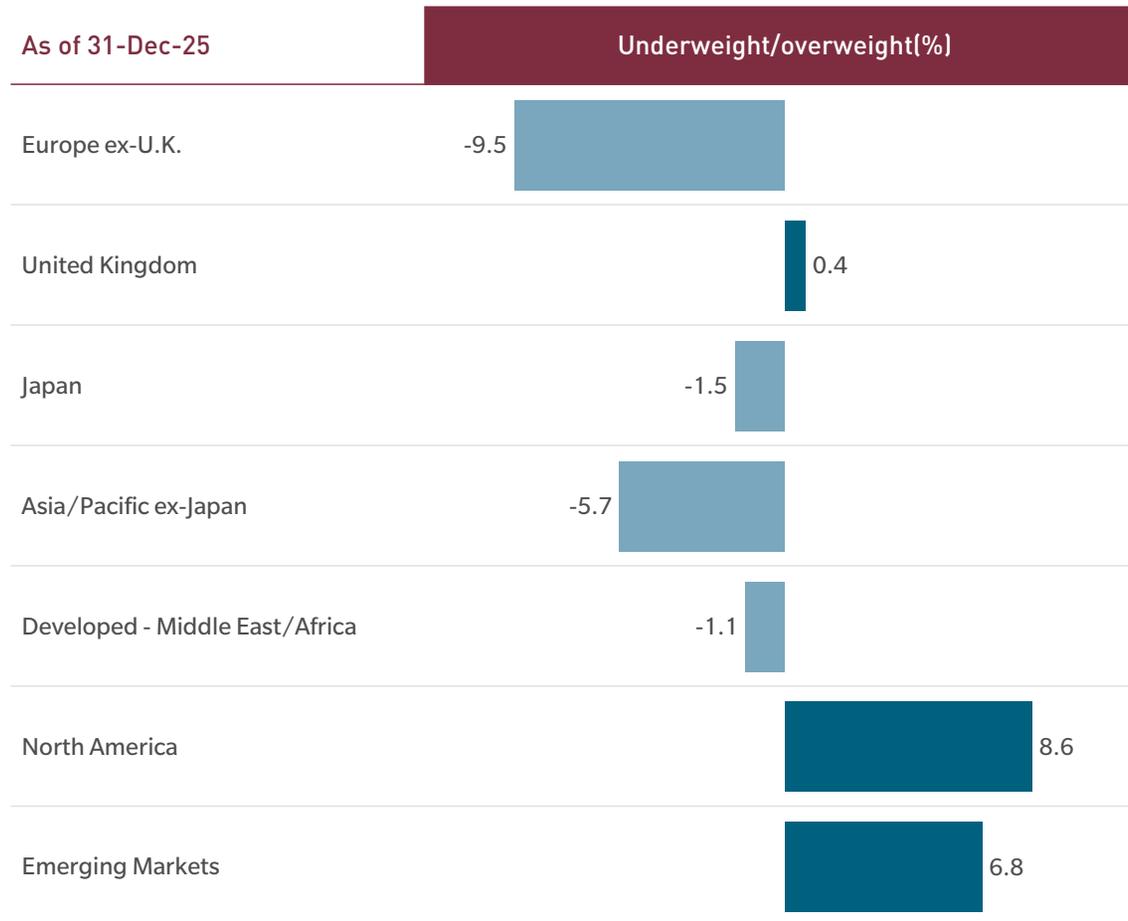


As of 31-Dec-25	Portfolio (%)	Benchmark^ (%)	Underweight/overweight(%)	Top holdings
Technology	11.5	11.3	0.2	Hitachi Ltd, Taiwan Semiconductor Manufacturing Co Ltd, ASML Holding NV
Communication Services	4.4	4.3	0.1	KDDI Corp
Consumer Cyclical	8.4	8.3	0.1	LVMH Moet Hennessy Louis Vuitton SE, Sony Group Corp, Cie Financiere Richemont SA
Consumer Staples	6.6	6.5	0.1	British American Tobacco PLC, Haleon PLC
Energy	6.6	6.8	-0.2	TotalEnergies SE, National Grid PLC
Financial Services	26.6	27.1	-0.5	Mizuho Financial Group Inc, Barclays PLC, ING Groep NV
Capital Goods	24.1	24.9	-0.8	Schneider Electric SE, Linde PLC, Legrand SA
Health Care	9.8	10.8	-1.0	Roche Holding AG, Novartis AG

^ MSCI EAFE Index  
2.0% Cash & Cash Equivalents.

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.

# Region Weights



2.0% Cash & Cash Equivalents.

0.0% Other. Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

## Region and Country Weights



As of 31-Dec-25	Portfolio (%)	Benchmark^ (%)	Underweight/overweight(%)
<b>Europe ex-U.K.</b>	<b>42.1</b>	<b>51.6</b>	<b>-9.5</b>
France	12.2	10.7	1.5
Portugal	1.4	0.2	1.2
Ireland	1.6	0.5	1.1
Netherlands	4.9	4.9	0.0
Italy	2.9	3.3	-0.4
Switzerland	8.5	9.6	-1.1
Spain	2.7	3.9	-1.2
Denmark	0.5	1.9	-1.4
Sweden	1.7	3.7	-2.0
Germany	5.7	9.7	-4.0
Other countries <sup>1</sup>	0.0	3.1	-3.1
<b>United Kingdom</b>	<b>15.4</b>	<b>15.0</b>	<b>0.4</b>
<b>Japan</b>	<b>20.6</b>	<b>22.1</b>	<b>-1.5</b>
<b>Asia/Pacific ex-Japan</b>	<b>4.6</b>	<b>10.3</b>	<b>-5.7</b>
Hong Kong	2.2	2.0	0.2
Australia	2.4	6.4	-4.0
Other countries <sup>1</sup>	0.0	1.9	-1.9

	Portfolio (%)	Benchmark^ (%)	Underweight/overweight(%)
<b>Developed - Middle East/Africa</b>	<b>0.0</b>	<b>1.1</b>	<b>-1.1</b>
Other countries <sup>1</sup>	0.0	1.1	-1.1
<b>North America</b>	<b>8.6</b>	<b>0.0</b>	<b>8.6</b>
United States	5.3	0.0	5.3
Canada	3.2	0.0	3.2
<b>Emerging Markets</b>	<b>6.8</b>	<b>0.0</b>	<b>6.8</b>
Taiwan	1.7	0.0	1.7
India	1.5	0.0	1.5
Brazil	1.4	0.0	1.4
South Korea	1.3	0.0	1.3
Thailand	0.6	0.0	0.6
China	0.3	0.0	0.3
Greece	0.1	0.0	0.1

^ MSCI EAFE Index

2.0% Cash & Cash Equivalents.

0.0% Other. Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

<sup>1</sup> The portfolio does not own any securities in countries represented in the benchmark in the following percentages: Singapore 1.7%; Finland 1.2%; Belgium 1.1%; Israel 1.1% and 3 countries with weights less than 1.0% which totals to 1.0%.

# Characteristics



As of 31-Dec-25	Portfolio	Benchmark <sup>^</sup>
<b>Fundamentals - weighted average</b>		
IBES long-term EPS growth <sup>1</sup>	10.1%	10.0%
Price/earnings (12 months forward ex-negative earnings)	15.7x	15.8x
Price/book	2.4x	2.1x
Return on equity (3-year average)	17.8%	16.0%
<b>Market capitalization</b>		
Market capitalization (USD) <sup>2</sup>	121.6 bn	108.7 bn
<b>Diversification</b>		
Top ten issues	21%	13%
Number of Issues	112	693
<b>Turnover</b>		
Trailing 1 year turnover <sup>3</sup>	40%	—
<b>Risk profile (current)</b>		
Active share	77%	—
<b>Risk/reward (10 year)</b>		
Historical tracking error	3.31%	—
Beta	0.94	—
Standard deviation	14.26%	14.78%
Information ratio	-0.11	—

<sup>^</sup> MSCI EAFE Index

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

**No forecasts can be guaranteed.**

<sup>1</sup> Source: FactSet

<sup>2</sup> Weighted average.

<sup>3</sup> 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^ (%)
ROCHE HOLDING AG	3.0	1.5
MIZUHO FINANCIAL GROUP INC	2.7	0.4
SCHNEIDER ELECTRIC SE	2.6	0.7
HITACHI LTD	2.5	0.7
NOVARTIS AG	1.8	1.3
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	1.7	—
BARCLAYS PLC	1.7	0.4
LINDE PLC	1.6	—
ASML HOLDING NV	1.6	2.1
ING GROEP NV	1.5	0.4
<b>Total</b>	<b>20.8</b>	<b>7.6</b>

^ MSCI EAFE Index

## Portfolio Outlook and Positioning



In the fourth quarter of 2025, international equity markets maintained their impressive upward trend from earlier in the year. Investor sentiment remained robust across European and Asian markets, fueled by continuing reductions in inflation and a careful approach taken by central banks regarding interest rate changes. Economic conditions in major regions like the Eurozone and Japan appeared to stabilize, while contained geopolitical tensions in the Middle East helped keep energy prices steady. Excitement around artificial intelligence continued to grow, as substantial new investments in AI technologies and infrastructure fueled optimism in global markets.

The MSCI EAFE Index saw gains across most sectors in the fourth quarter of 2025. Utilities led the way, propelled by strong demand for renewable energy and significant infrastructure investments. Health care posted solid results, fueled by advances in pharmaceuticals and biotechnology, especially across Europe. Financials continued to show strength, as stable interest rates and improved credit conditions benefited European banks. The materials sector also performed well, supported by rising commodity prices and increased industrial activity. In contrast, communication services was the only sector to post negative returns, held back by weaker advertising revenues and regulatory challenges. The real estate and consumer discretionary sectors lagged, with only modest gains; real estate was pressured by higher vacancy rates in certain regions, while consumer discretionary companies faced headwinds from shifting spending patterns and currency fluctuations. Overall, the quarter highlighted the resilience and diversity of EAFE markets, with notable contributions from both defensive and cyclical sectors.

The strategy underperformed the MSCI EAFE Index during the fourth quarter, primarily driven by underperformance within the capital goods sector and, to a lesser extent, the health care sector, while the technology, consumer cyclicals and financial services sector drove outperformance.

Financial services outperformed during the fourth quarter, with stock selection in major banks driving relative returns. Notably, our overweight positions in NatWest, Bank of Ireland, new addition Mizuho, and Toronto Dominion Bank proved to be top contributors. NatWest and Bank of Ireland benefited from resilient earnings and continued improvement in net interest margins, while Mizuho and Toronto Dominion saw solid performance as investors rotated toward banks with strong balance sheets and diversified revenue streams. The decision to add Mizuho was timely, as Japanese banks rallied on expectations of higher interest rates and favorable central bank policy developments. Toronto Dominion was supported by steady loan growth and robust credit quality in the Canadian market. However, the banks' performance was partially offset by our not owning HSBC, which rallied on the back of cost discipline and renewed

## Portfolio Outlook and Positioning



optimism over its Asia-focused strategy, and by our underweight to Mitsubishi UFJ, which benefited from the Bank of Japan's hints at rate normalization. Our selection within brokers and asset managers also added value, with an overweight to Barclays making the largest positive impact for the segment. Barclays outperformed as the group's restructuring efforts gained traction, leading to improved cost efficiency and investor confidence. On the other hand, insurance holdings slightly detracted from returns, primarily due to Beazley, which experienced weakness after reporting higher-than-expected claims and increased market competition in specialty lines. From a positioning standpoint, we remain overweight in less rate-sensitive banks such as ING and BNP Paribas, financed by underweights to Asia-focused HSBC and Nordic banks, reflecting our cautious stance toward regions facing more pronounced regulatory or macroeconomic headwinds. Portfolio activity this quarter was more pronounced. We swapped ABN AMRO for ING and increased our position in BNP Paribas, capitalizing on their more attractive growth profiles and lower rate sensitivity. We also swapped Erste Group for BBVA, reflecting a preference for BBVA's exposure to resilient markets in Spain and Mexico. In the UK, we trimmed exposure, maintaining a preference for Barclays. Additionally, we expanded our holdings in Italy by adding BPER Banca.

Capital goods underperformed the benchmark in the fourth quarter of 2025. Within the EAFE index, the sector experienced a shift in leaders and laggards over the quarter, with base and precious metal miners showing similar strong performance due to solid commodity prices and steady demand. Engineering construction companies also posted good results, driven by higher infrastructure activity and a robust project pipeline. By contrast, aerospace and defense companies lagged as sector momentum cooled and investors shifted their attention to other industrial areas. Overweight exposure to specialty chemicals hurt performance, especially since Linde and Shin-Etsu both delivered underwhelming results. Linde faced ongoing soft industrial demand, which raised concerns over future margin expansion, while Shin-Etsu struggled with lower volumes in its vinyl and semiconductor materials businesses, reflecting hesitant customer orders and continued weakness in electronics markets. The negative impact of holding Linde was partially mitigated by not owning Air Liquide. Similarly, in the aerospace and defense industry, the negative impact of holding Thales and MTU Aero Engines was largely offset by not owning Rheinmetall or BAE Systems. Stock selection in electrical equipment detracted as well; Legrand was held back by slower demand in Europe and lower-than-expected datacenter growth, and Schneider Electric's flat results offered little upside amid strict cost controls and mixed orders. Several renewable energy stocks not owned in the portfolio, such as Siemens Energy, Vestas Wind Systems, and Sumitomo Electric, posted strong gains. They benefited from a global surge in clean energy investment and supportive policies, which boosted project pipelines and profitability. Machinery and tools holdings underperformed as GEA faced slower order growth driven by sluggish food processing investments, while RB Global's performance was weighed down by low auction volumes and dealer inventory normalization. On the positive side, holding Taisei in engineering construction added meaningfully to returns, thanks to strong execution

## Portfolio Outlook and Positioning



in domestic infrastructure and improved profitability from cost management and higher-margin contracts. Additionally, metals and mining picks Mitsui and Glencore contributed solid gains, supported by resilient commodity prices, effective portfolio management, and favorable pricing trends, especially in copper and coal. Elsewhere, not owning Ferrari supported relative returns as the stock struggled with declining sales and increased competition in the luxury automotive market.

During the quarter, we initiated a new position in Keyence, a leader in factory automation and industrial sensors. Our investment thesis centers on the impact of tariffs and ongoing geopolitical uncertainty, which have prompted many companies to delay capital expenditure and have disrupted global supply chains. We believe that as this period of caution subsides, a new wave of capital spending will emerge, propelled by structural trends such as onshoring and increased automation. We feel Keyence is particularly well positioned in the Asian automation landscape due to its asset-light, highly flexible business model, robust balance sheet, and proven adaptability during supply chain disruptions. These attributes should enable the company to capture outsized growth as industrial demand normalizes and accelerates. We also added to our position in Fujifilm, reflecting our continued confidence in the long-term outlook for its biotech contract development and manufacturing organization (bio-CDMO) business. The division is seeing robust demand, especially in North America, fueled by the rising importance of localized medicine production and increased investments in pharmaceutical capacity. Fujifilm's scale, reputation for quality, and ongoing capacity expansion leave it well placed to benefit from these trends. Elsewhere in the portfolio, we trimmed our holding in Mitsubishi Electric into strength, capitalizing on recent share price gains. Additionally, we reduced our position in Denso to reallocate capital to higher-conviction ideas. Our stance on the Japanese auto sector has turned more cautious, as we believe market expectations for auto suppliers to remain relatively insulated from tariffs compared with original equipment manufacturers may prove overly optimistic given the sector's global supply chain exposure and heightened trade risks.

Communication services modestly outperformed the benchmark in the fourth quarter, driven by strong performance from our international telecom holdings and ongoing shifts among AI-focused companies. Our investments in Advanced Info Service, KDDI Corporation, and Hellenic Telecommunications stood out, benefiting from steady demand for connectivity and continued infrastructure investments in their respective markets. On the other hand, Wolters Kluwer, a professional services firm, continued to face challenges as investors considered how AI might affect industry leadership. Despite some short-term difficulties, we are confident in Wolters Kluwer's ability to adapt and leverage new technologies for future growth. Our decision not to own RELX plc, another professional services company, benefited our results for the same reasons that holding Wolters Kluwer detracted. Additionally, avoiding SoftBank Group

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helped our relative returns, as this prominent AI heavyweight saw its stock moderate after a previous rally due to shifting market sentiment. During the quarter, we increased our positions in Wolters Kluwer, Spotify, KDDI Corporation, Koninklijke KPN N.V., and Advanced Info Service to capitalize on attractive valuations and strong growth prospects, while trimming our stake in Hellenic Telecommunications to fund higher-conviction opportunities.

Consumer cyclicals outperformed the index in the fourth quarter, driven by effective stock selection in Europe and strong results from luxury holdings like LVMH and Richemont. Our underweight positions in Nintendo and Prosus also boosted relative returns. The sector's performance within the index was mixed across regions, with European cyclical stocks benefiting from attractive valuations, lighter inflation, improved wage growth, and a steady recovery in consumer confidence. Meanwhile, Asian consumer cyclicals faced headwinds from currency challenges in Japan, a slow rebound in tourism, and cautious consumer sentiment, compounded by higher valuation multiples compared to Europe. During the quarter, we initiated new positions in Accor, Qantas, and Nitori. Accor, a global hotel group, has emerged stronger after extensive restructuring, now featuring higher-quality assets and a compelling long-term growth outlook, especially given its exposure to Asia Pacific, the Middle East, and Africa. We anticipate meaningful operating leverage as Accor shifts toward an improved fee mix and scales its luxury segment, while disciplined capital allocation is set to drive earnings growth. Qantas, the Australian airline, was added to the portfolio for its margin and capital return potential, supported by resilient leisure demand, constrained supply from OEMs, a fleet renewal pipeline, and a growing presence in the profitable low-cost market via Jetstar. Nitori, Japan's top home furniture retailer, presents an attractive valuation and is nearing an inflection point in growth and returns as capital expenditures normalize. We also took the opportunity to increase our stakes in Jeronimo Martins, a Polish retailer, and Aristocrat Leisure, an Australian gaming company. Portfolio adjustments during the quarter included exiting Whitbread in favor of Accor and Yamaha in favor of Nitori, as well as trimming positions in Ryanair, Alimentation Couche Tard, LVMH, and Richemont to reflect current valuations and team conviction.

Technology outperformed the benchmark during the fourth quarter of 2025, driven by strong results across several key industries and holdings. Notably, an overweight position and selection within computer systems significantly contributed, with Samsung posting robust gains due to resilient demand for advanced memory chips and continued strength in its mobile device business. Hitachi also performed well, benefiting from its diversified technology offerings and improved operational efficiency, which supported earnings growth and investor sentiment. Selection in business services added positively to returns, as an overweight position in Fujitsu proved advantageous. Fujitsu's share price advanced, supported by stable IT services demand and progress in digital transformation initiatives, which

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underpinned margin expansion and consistent contract wins. Within software and semiconductors, overweight exposure to SAP and ownership of Taiwan Semiconductor Manufacturing Company (TSMC) both contributed meaningfully. SAP delivered solid results, driven by accelerated cloud adoption and strong recurring revenue growth. TSMC continued to benefit from elevated demand for leading-edge semiconductor manufacturing, supported by growth in AI and high-performance computing applications, which led to positive earnings revision and outperformance. On the other hand, not owning network and telecom equipment names detracted slightly from relative results, as both Ericsson and Nokia delivered notable gains during the period. The industry benefited from increased infrastructure spending and rising demand for next-generation wireless solutions, which supported share price appreciation for these companies. Conversely, performance was negatively impacted by positions in Constellation Software and Cadence Design Systems. Constellation Software underperformed due to a slowdown in deal activity and cautious guidance from management, which continued to weigh on investor sentiment following their CEO's resignation last quarter. Cadence Design Systems also lagged as concerns over the pace of customer spending in the electronic design automation space led to a pullback, despite continued long-term demand for AI-driven chip design. There were no trades in the technology sector during the quarter.

Health care lagged the benchmark in the fourth quarter of 2025, with sector performance primarily constrained by an underweight and selection within pharmaceuticals. The largest headwind stemmed from not holding AstraZeneca, which outperformed following positive clinical trial results and increased momentum in its oncology franchise. An overweight position in Daiichi Sankyo also detracted, as shares came under pressure amid concerns regarding competitive dynamics in oncology and uncertainty around the launch trajectory of key pipeline assets. Underweight positioning in Novartis further weighed on returns, as the stock advanced during the period on the back of robust quarterly earnings and growing investor confidence in its late-stage pipeline and recently launched therapies. Elsewhere, an overweight allocation to CSL held back returns, with shares facing continued softness due to tepid plasma collection volumes and cautious management guidance about near-term margin recovery. In contrast, the decision to avoid medical services companies contributed, as the group broadly underperformed amid persistent reimbursement headwinds and muted procedure volumes. Elsewhere, Roche contributed positively, with the company's stock supported by resilient sales of core oncology and immunology products and increased visibility around its next wave of innovative therapies. During the quarter, we initiated a new position in Novartis. Our investment thesis centers on the company's ability to offset upcoming patent expirations through growth from recent product launches and an increasingly credible R&D pipeline, positioning Novartis to navigate the next decade more effectively than current market expectations suggest. We also established a position in Alcon, attracted by its compelling valuation and the expectation that a series of new product launches will drive a reacceleration in revenue and margin expansion within the attractive global eye-care

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market. Conversely, we exited our position in Novo Nordisk, as growing uncertainty regarding long-term competition and pricing dynamics in the obesity drug market has clouded the visibility needed to underwrite the substantial future revenues implied by its valuation. We also eliminated Sanofi from the portfolio following a failed Phase 3 trial and delays in regulatory approval for a key pipeline asset, which, combined with a lackluster near-term outlook and limited catalysts, diminished our confidence in the company's ability to deliver sustainable growth.

The energy sector modestly trailed the EAFE Energy benchmark for the quarter. Relative underperformance stemmed primarily from a modest underweight in electric utilities, which rallied on renewed optimism around European power demand. Our electric utilities advanced, lagging the benchmark in part due to short-term weakness in E.ON shares following news of potential regulatory changes projected for 2029. Among cyclical holdings, TotalEnergies and Eni delivered robust returns, supported by resilient refining margins and healthy asset performance. However, Galp detracted from results after a disappointing exploration farm-out in Namibia. Reliance stood out as the top performer in the portfolio amid tight global refining markets after Ukrainian drone strikes disrupted Russian refinery exports. As we look ahead, our strategy remains focused on balancing exposure between defensive electric utilities and higher-risk commodity producers. Near-term commodity fundamentals present notable challenges, with the market anticipating an oil oversupply equivalent to 12–18 months of global demand growth and an LNG supply wave of approximately 180 MTPA (million tons per annum) — roughly twice China's current demand. While some of this bearish outlook is already reflected in valuations, geopolitical risks and the potential for energy flow disruptions have increased, highlighted by recent developments in Venezuela. Although we do not expect a meaningful rise in Venezuelan crude output in the near term due to elevated costs and political uncertainty, the geopolitical risk premium for oil now warrants careful reassessment. Within this context, we remain confident in our approach of owning low-cost commodity producers with well-invested assets and strong balance sheets. We feel these holdings continue to offer resilience and attractive long-term growth prospects, particularly as global energy politics shift back into the spotlight. Despite the sector's relative underperformance this quarter, portfolio fundamentals remain sound, and we are prepared to act as risk-reward profiles become more compelling.

Consumer staples delivered returns broadly in line with the EAFE benchmark during the fourth quarter. Overweight positions in British American Tobacco (BAT) and new addition to the portfolio Haleon were meaningful contributors. BAT advanced as industry data showed continued strength in its nicotine pouch business in the US and an uptick in its legal vaping business due to better enforcement against illegal Chinese vapes, while Haleon benefited from improving trends in its oral care and vitamins, minerals, and supplements (VMS)

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business in the US and emerging markets. We trimmed our position in BAT into strength, mindful of the strong run-up and evolving regulatory landscape. On the negative side, an overweight to spirits detracted, most notably Pernod Ricard. Pernod underperformed as the company reported softer sales momentum in China and the US, driven by a soft demand environment. We continue to believe these headwinds are cyclical and that these are higher-quality businesses that could trade at a premium to the sector over time. An overweight to Kao also weighed on performance; shares lagged on concerns regarding the company's capital allocation. We exited Kao, reflecting discomfort with its revised mid-term strategy. During the quarter, we initiated a position in Beiersdorf, reflecting increasing confidence in the strength of its innovation pipeline and the significant sales potential presented by China and the US at an attractive valuation. We also started a new position in Ajinomoto. As the leading provider of "umami" and other Asian flavors and seasonings, Ajinomoto continues to see strong growth, driven by increased consumer interest in home cooking both in Asia and globally. In addition, the company has a small but promising industrial amino acid film business, which we feel could deliver strong growth and improved profit margins. Furthermore, we initiated a position in Unicharm. The company has de-rated on concerns about its growth rate; however, we believe their strong track record at innovation and brand building means we should continue to see strong growth in their adult incontinence and pet food businesses in Asia, offsetting weakness in their baby diaper business. We exited Nestlé due to increasing concerns about their ability to achieve their medium-term growth targets as consumer preferences move away from processed food, as well as concerns over increased competition in their core pet food business. In addition, we exited Kirin given uncertainties surrounding new business initiatives and continued weak volume growth in core alcoholic beverage markets.

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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	Country	Equivalent exposure (%)
<b>Capital Goods</b>		<b>24.1</b>
Schneider Electric SE	France	2.6
Linde PLC	United States	1.6
Legrand SA	France	1.2
MTU Aero Engines AG	Germany	1.2
Mitsui & Co Ltd	Japan	1.1
Thales SA	France	1.0
Atlas Copco AB	Sweden	1.0
Mitsubishi Electric Corp	Japan	1.0
Glencore PLC	United Kingdom	0.9
Suzuki Motor Corp	Japan	0.9
Rio Tinto PLC	United Kingdom	0.8
Shin-Etsu Chemical Co Ltd	Japan	0.8
Taisei Corp	Japan	0.8
Daikin Industries Ltd	Japan	0.8
Keyence Corp	Japan	0.7
Weir Group PLC	United Kingdom	0.7
GEA Group AG	Germany	0.7
Ritchie Bros Auctioneers Inc	Canada	0.7
Techtronic Industries Co Ltd	Hong Kong	0.7
Spirax Group PLC	United Kingdom	0.6
James Hardie Industries PLC	Australia	0.5
Toyota Industries Corp	Japan	0.5
Sika AG	Switzerland	0.5
Symrise AG	Germany	0.5
Babcock International Group PLC	United Kingdom	0.5
Akzo Nobel NV	Netherlands	0.5
Cie Generale des Etablissements Michelin SCA	France	0.5
Croda International PLC	United Kingdom	0.5
FUJIFILM Holdings Corp	Japan	0.4
<b>Cash &amp; Cash Equivalents</b>		<b>2.0</b>
Cash & Cash Equivalents		2.0

As of 31-Dec-25	Country	Equivalent exposure (%)
<b>Communication Services</b>		<b>4.4</b>
KDDI Corp	Japan	1.0
Spotify Technology SA	Sweden	0.8
Koninklijke KPN NV	Netherlands	0.7
Wolters Kluwer NV	Netherlands	0.6
Cellnex Telecom SA	Spain	0.6
Advanced Info Service PCL	Thailand	0.6
Hellenic Telecommunications Organization SA	Greece	0.1
<b>Consumer Cyclicals</b>		<b>8.4</b>
LVMH Moet Hennessy Louis Vuitton SE	France	1.4
Sony Group Corp	Japan	1.1
Cie Financiere Richemont SA	Switzerland	1.1
Pan Pacific International Holdings Corp	Japan	0.7
Next PLC	United Kingdom	0.6
Jeronimo Martins SGPS SA	Portugal	0.6
Accor SA	France	0.5
Aristocrat Leisure Ltd	Australia	0.4
Qantas Airways Ltd	Australia	0.4
Ryanair Holdings PLC ADR	Ireland	0.4
Alimentation Couche Tard Inc	Canada	0.3
Nitori Holdings Co Ltd	Japan	0.3
Burberry Group PLC	United Kingdom	0.2
Sands China Ltd	Hong Kong	0.2
Capcom Co Ltd	Japan	0.2
<b>Consumer Staples</b>		<b>6.6</b>
British American Tobacco PLC	United Kingdom	1.4
Haleon PLC	United Kingdom	1.4
Beiersdorf AG	Germany	0.9
Pernod Ricard SA	France	0.8
Davide Campari-Milano NV	Italy	0.6
Unicharm Corp	Japan	0.6
Novozymes AS	Denmark	0.5
Ajinomoto Co Inc	Japan	0.4

# Portfolio Holdings



As of 31-Dec-25	Country	Equivalent exposure (%)
<b>Energy</b>		<b>6.6</b>
TotalEnergies SE	France	1.5
National Grid PLC	United Kingdom	1.2
Eni SpA	Italy	1.0
Galp Energia SGPS SA	Portugal	0.8
E.ON SE	Germany	0.6
Reliance Industries Ltd	India	0.5
CLP Holdings Ltd	Hong Kong	0.3
APA Group	Australia	0.3
China Resources Gas Group Ltd	China	0.3
<b>Financial Services</b>		<b>26.6</b>
Mizuho Financial Group Inc	Japan	2.7
Barclays PLC	United Kingdom	1.7
ING Groep NV	Netherlands	1.5
UBS Group AG	Switzerland	1.4
Toronto-Dominion Bank	Canada	1.4
BPER Banca SPA	Italy	1.4
BNP Paribas SA	France	1.3
Banco Bilbao Vizcaya Argentaria SA	Spain	1.3
Euronext NV	France	1.3
Bank of Ireland Group PLC	Ireland	1.3
Mastercard Inc	United States	1.2
NatWest Group PLC	United Kingdom	1.1
Beazley PLC	United Kingdom	1.1
AIA Group Ltd	Hong Kong	1.0
Aon PLC	United States	1.0
London Stock Exchange Group PLC	United Kingdom	1.0
HDFC Bank Ltd	India	1.0
Hiscox Ltd	United Kingdom	0.9
Banco Bradesco SA ADR	Brazil	0.7
Willis Towers Watson PLC	United States	0.7
Sompo Holdings Inc	Japan	0.7
B3 SA - Brasil Bolsa Balcao	Brazil	0.7

As of 31-Dec-25	Country	Equivalent exposure (%)
<b>Financial Services</b>		<b>26.6</b>
Samsung Fire & Marine Insurance Co Ltd	South Korea	0.4
<b>Health Care</b>		<b>9.8</b>
Roche Holding AG	Switzerland	3.0
Novartis AG	Switzerland	1.8
Daiichi Sankyo Co Ltd	Japan	1.0
Merck KGaA	Germany	0.9
QIAGEN NV	Germany	0.8
CSL Ltd	Australia	0.7
Convatec Group PLC	United Kingdom	0.7
Alcon AG	Switzerland	0.6
Terumo Corp	Japan	0.4
<b>Other</b>		<b>0.0</b>
Other		0.0
<b>Technology</b>		<b>11.5</b>
Hitachi Ltd	Japan	2.5
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	1.7
ASML Holding NV	Netherlands	1.6
Tokyo Electron Ltd	Japan	1.1
Samsung Electronics Co Ltd	South Korea	0.9
Constellation Software Inc/Canada	Canada	0.9
Cadence Design Systems Inc	United States	0.9
Fujitsu Ltd	Japan	0.8
Amadeus IT Group SA	Spain	0.8
Disco Corp	Japan	0.2
SAP SE	Germany	0.1
Constellation Software Inc	Canada	0.0

Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

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.

## Additional Disclosures



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**Past performance is no guarantee of future results. No forecasts can be guaranteed.**