



As of 30 September 2020

## Fact Sheet

# MFS Meridian® Funds

## Emerging Markets Debt Fund

### Investment team

#### Portfolio Managers

**Neeraj Arora, CFA**

- 9 years with MFS
- 15 years in industry

**Ward Brown, CFA, Ph.D.**

- 14 years with MFS
- 24 years in industry

**Matt Ryan, CFA**

- 23 years with MFS
- 33 years in industry

#### Institutional Portfolio Manager\*\*

**Katrina Uzun**

- 1 year with MFS
- 18 years in industry

#### Fund benchmark

JPMorgan Emerging Markets Bond Index Global

### Uncovering fixed income opportunities in emerging markets worldwide

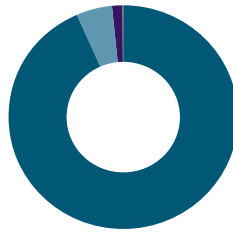
Focuses primarily on US dollar-denominated sovereign/quasi-sovereign debt issued by emerging market countries, with the flexibility to invest in local currency debt, including emerging market currencies; the fund may also invest in corporate debt issued by companies located in emerging market countries.

#### Key Points:

- Research-intensive approach focuses on outperformance through country and security selection, with an emphasis on managing downside risk
- Seeks to manage volatility and preserve flexibility through diversification and liquid holdings
- Team experience and continuity: Portfolio manager in place since 1998; Portfolio management team together since 2005

### Portfolio structure (%)

■ Bonds (93.4)
■ Cash & Cash Equivalents (5.1)
■ Other (1.5)
■ Stocks (0.1)



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

### Top 10 holdings

Russian Foreign Bond - Eurobond RegS 4.25% JUN 23 27

Russian Foreign Bond - Eurobond RegS 4.375% MAR 21 29

Southern Gas Corridor CJSC RegS 6.875% MAR 24 26

Russian Foreign Bond - Eurobond RegS 5.1% MAR 28 35

State Grid Overseas Investment 2016 Ltd RegS 3.500% MAY 04 27

Qatar Government International Bond RegS 5.103% APR 23 48

Abu Dhabi Crude Oil Pipeline LLC RegS 4.6% NOV 02 47

Qatar Government International Bond RegS 3.75% APR 16 30

Jamaica Government International Bond 8% MAR 15 39

Euro Bund 10Yr Future DEC 08 20\*

8.1% long and 2.1% short (\*) positions of total net assets

### Top 10 EM countries (%)

Indonesia	8.5
Mexico	7.0
China	5.6
United Arab Emirates	4.6
Russia	4.0
Qatar	3.8
Ukraine	3.5
Peru	3.4
Turkey	3.3
Chile	3.0

### Top currency weights (%)

United States Dollar	98.7
Mexican Peso	0.3
Uruguay Peso	0.3
Indian Rupee	0.3
Euro	0.2
Czech Koruna	0.2
South Korean Won	0.0
Colombian Peso	0.0
South African Rand	0.0
Russian Ruble*	-0.0

### Portfolio facts

Net Assets (USD)	3.1 billion
Number of Issues	420
Avg. Eff. Maturity	11.0 years
Avg. Eff. Duration	7.1 years

\* Short positions, unlike long positions, lose value if the underlying asset gains value.

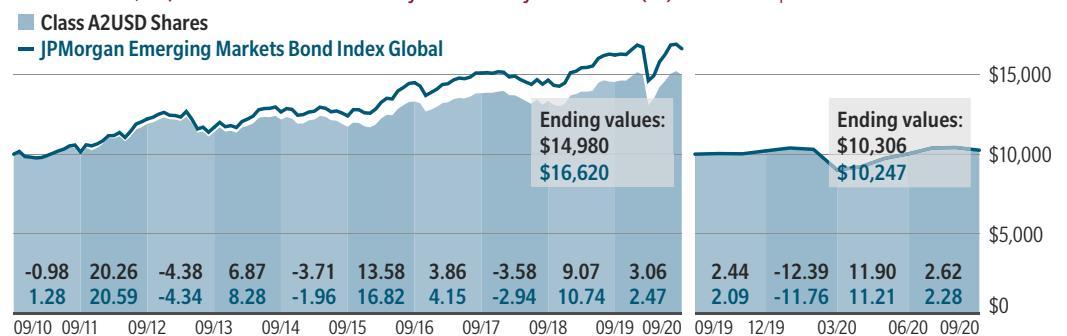
\*\* Advises and communicates on the management of the portfolio, but is not responsible for day-to-day management. Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. The portfolio is actively managed, and current holdings may be different.

Top holdings, portfolio characteristics and weightings do not reflect the effect of exposure/weightings for hedging of hedged share classes. Full holdings and net assets do reflect this hedging.

MFS Meridian Funds from time to time may be registered for sale in other jurisdictions or otherwise offered where registration is not required.

MFS Meridian Funds are not available for sale in the United States or Canada or to US persons.

### Growth of a \$10,000 investment over 10 years and 1 year at NAV (%) as of 30-Sep-20



Fund returns assume the reinvestment of dividends and capital gain distributions but do not include a sales charge. Results would have been less favorable if the sales charge were included. This example is for illustrative purposes only and is not intended to represent the future performance of any MFS product. **Past performance is not a reliable indicator for future results.**

### Calendar year total returns (%), not including sales charge A2USD^

	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Fund	10.86	5.45	18.27	-6.74	3.84	-1.35	8.90	8.89	-5.68	13.31
Benchmark	12.04	8.46	18.54	-6.58	5.53	1.23	10.19	9.32	-4.61	14.42

Please see reverse for complete performance information and important disclosures.

**MAY LOSE VALUE - NOT GUARANTEED**

ANNUALIZED RETURNS AT NAV (%) ^								SHARE CLASS INFORMATION					
Class	Ongoing Charges (%) †	Start of Class Perf. Record	YTD^^	1 yr	3 yr	5 yr	10 yr/Life	Distribution Rate (%)	Sedol	WKN	ISIN	CUSIP	Bloomberg
A1EUR	1.52	27-Sep-05	-3.71	-4.21	2.82	3.98	5.72	—	B08NDM3	A0F4W2	LU0219422606	L6365P115	MEMDAE1 LX
A2USD	1.52	30-Jun-99	0.60	3.06	2.72	5.03	4.12	3.05	7046290	625765	LU0125948280	L63653122	MFSEDA2 LX
AH1EUR <sup>2</sup>	1.54	02-Feb-11	-1.24	0.52	-0.32	2.54	3.19	—	B45FCX4	A1H6RG	LU0583240519	L6366G106	MFSEAH1 LX
AH2EUR <sup>1,2</sup>	1.55	02-Feb-11	-1.08	0.72	-0.22	2.59	3.21	3.11	BYM0GV8	A14Y27	LU1280190494	L6366W796	MFSMAH2 LX
I1USD	0.75	26-Sep-05	1.07	3.74	3.36	5.71	4.80	—	B08NDS9	A0F49D	LU0219455952	L6365P156	MEMDIU1 LX
IH1EUR <sup>2</sup>	0.75	02-Feb-11	-0.77	1.20	0.32	3.24	3.81	—	B40D813	A1H6RH	LU0583240782	L6366G114	MFSEIH1 LX
W1USD <sup>1</sup>	0.90	01-Feb-01	0.96	3.61	3.21	5.56	4.65	—	B5564Q1	A0YCTP	LU0458495388	L63667742	MEMDW1U LX
WH1EUR <sup>1,2</sup>	0.90	02-Feb-11	-0.60	1.23	0.26	3.11	3.49	—	BYZTTD5	A14180	LU1307987567	L6368T197	MEWH1EU LX
WH2EUR <sup>1,2</sup>	0.90	02-Feb-11	-0.86	0.95	0.25	3.12	3.50	3.73	BYZTTF7	A14181	LU1307987641	L6368T205	MEMWH2E LX
<b>Benchmark:</b> JPMorgan Emerging Markets Bond Index Global													
EUR			-3.92	-4.74	3.55	4.99	6.82						
USD			0.37	2.47	3.27	6.03	5.21						

Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.

Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different.

Other share classes are available for which performance and expenses will differ.

Returns would have been lower had sales charges, of up to 6% of the net asset value (NAV), or any commissions, fees or other charges that your financial intermediary may charge been reflected.

Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume the reinvestment of dividends and capital gains.

The source for all fund data is MFS. Source for benchmark performance: SPAR, FactSet Research Systems Inc.

Fund Inception Date: 01 October 2002

<sup>^</sup> Results represent the percent change in NAV.

<sup>^^</sup> Periods less than one year are actual not annualized.

<sup>†</sup> Ongoing charges are expressed at an annual rate as a percentage of net assets and are based on expenses for the semi-annual period ending July 31 or annual period ending January 31. For a Class with less than the full period of data available, or where an adjustment is necessary to reflect current charges, the ongoing charges figure is an estimate. Ongoing charges may vary from year to year. Please see the KIID of the relevant Class for the most recent expense information.

<sup>1</sup> The MFS Meridian Funds offer several share classes each with different expenses. Performance reflects the performance of a relevant older class with the same currency until the actual start of class performance record of the class detailed. Performance for periods prior to that date may have been higher or lower had the actual share class fees and expenses been reflected.

<sup>2</sup> Hedged share classes aim to reduce exchange rate and return fluctuations between the applicable non-base currency hedged share class and the unhedged base currency class of the fund. From time to time shareholder transactions in the share class could result in a gain or a loss, which could be significant, in the share class value that is attributable to the adviser's hedging activities rather than to its investment management activities. Other share classes will not share in these gains or losses. Class I shares are only available to certain qualifying institutional investors.

Class W shares are available to discretionary portfolio management or independent advisory accounts, clients of financial intermediaries otherwise prohibited from receiving compensation from the Fund, and to employees of MFS and its affiliates.

#### CREDIT QUALITY<sup>†</sup> (% OF TOTAL NET ASSETS)

U.S. Government	0.9
AA	6.8
A	7.8
BBB	33.1
BB	24.1
B	18.9
CCC and Below	2.7
Other Not Rated*	-1.1

**Avg. credit quality: BB+**

<sup>†</sup> The Average Credit Quality (ACQR) is a market weighted average (using a linear scale) of securities included in the rating categories. For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. If none of the 3 Rating Agencies above assign a rating, but the security is rated by DBRS Morningstar, then the DBRS Morningstar rating is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). All ratings are subject to change. U.S. Government includes securities issued by the U.S. Department of the Treasury. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency MBS, and CMOs of U.S. Agency MBS. Other Not Rated includes fixed income securities which have not been rated by any rating agency. The portfolio itself has not been rated.

#### TRAILING 3-YEAR RISK MEASURES VS. BENCHMARK (A2USD)

<b>Standard Deviation</b>	10.05 vs. 9.88
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**Standard Deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

#### RISK AND REWARD PROFILE CLASS (A2USD)

◀ Lower Risk			Higher Risk ▶			
(typically lower rewards)			(typically higher rewards)			
1	2	3	4	5	6	7

The rating is based on past volatility of returns and may be different in the future or for other classes of the fund.

**See the fund's offering documents for more details, including information on fund risks and expenses.**

The offering documents (sales prospectus and Key Investor Information Documents (KIIDs)), articles of incorporation and financial reports are available to investors at no cost in paper form or electronically at meridian.mfs.com, at the offices of the paying agent or representative in each jurisdiction or from your financial intermediary. KIIDs are available in the following languages; Danish, Dutch, English, French, German, Italian, Norwegian, Portuguese, Spanish, and Swedish. The sales prospectus and other documents are available in English. For additional information, call 416.506.8418 in Toronto or 352.464.010.600 in Luxembourg or your local paying agent or representative. **Denmark:** Nordea Bank Danmark A/S, Issuer Services, Securities Services, Hermes Hus, Helgeshøj Allé 33, Postbox 850, DK-0900 Copenhagen C, Tel: 45.33.33.33.01 **Luxembourg:** State Street Bank Luxembourg, 49 Avenue, J.F.

Kennedy, L-1885 Luxembourg, Grand Duchy of Luxembourg. Tel: 352.464.010.600

**Netherlands:** CACEIS Netherlands N.V., De Ruyterkade 6, 1000 Amsterdam, The Netherlands. Tel: 31.20.530.8300 **Sweden:** Securities Services, Skandinaviska Enskilda Banken AB, Global Funds, RA 6, Rissneleden 110, SE-106 40 Stockholm, Sweden. Tel: 46.8763.6906/5960

MFS Meridian Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à.r.l. is the management company of the Funds, having its registered office at 4, Rue Albert Borschette, L-1246, Luxembourg, Grand Duchy of Luxembourg (Company No. B.76.467). The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

The funds have been registered with the Netherlands Authority for the Financial Markets referred to in Article 1:107 of the Act on Financial Supervision (Wet op het financieel toezicht), as an investment institution authorized pursuant to Article 2:72 of the aforementioned Act.

The funds are established as a "restricted foreign scheme" in Singapore; therefore, material in connection with the offer or sale of the funds may only be distributed to persons in Singapore that are qualified under Sections 304 and 305(2) under Chapter 289 of the Securities and Futures Act. This document has not been reviewed by the Monetary Authority of Singapore.

MFS Meridian Funds are recognised under Section 264 of the Financial Services and Markets Act of 2000 (reference number 435996) and U.K. investors should note that holdings of shares in the funds will not be covered by the provisions of the Financial Services Compensation Scheme, or by any similar scheme in Luxembourg.

#### Important risk considerations

The fund may not achieve its objective and/or you could lose money on your investment in the fund. ■ **Bond:** Investments in debt instruments may decline in value as the result of, or perception of, declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall). Therefore, the portfolio's value may decline during rising rates. Portfolios that consist of debt instruments with longer durations are generally more sensitive to a rise in interest rates than those with shorter durations. At times, and particularly during periods of market turmoil, all or a large portion of segments of the market may not have an active trading market. As a result, it may be difficult to value these investments and it may not be possible to sell a particular investment or type of investment at any particular time or at an acceptable price. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. ■ **Emerging Markets:** Emerging markets can have less market structure, depth, and regulatory, custodial or operational oversight and greater political, social, geopolitical and economic instability than developed markets. ■ **Derivatives:** Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying indicator(s) on which the derivative is based, such as counterparty and liquidity risk. ■ **High Yield:** Investments in below investment grade quality debt instruments can be more volatile and have greater risk of default, or already be in default, than higher-quality debt instruments. ■ Please see the prospectus for further information on these and other risk considerations.

#### Benchmark and vendor disclosures

JPMorgan Emerging Markets Bond Index Global - measures the performance of U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds.

It is not possible to invest directly in an index.

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