

# MFS MERIDIAN® FUNDS – MANAGED WEALTH FUND (Class IH1GBP)

a sub-fund of MFS Meridian Funds

This fund is managed by MFS Investment Management Company (Lux) S.à r.l.

ISIN: LU1280181584



## KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## OBJECTIVE AND INVESTMENT POLICY

### Objective

The fund's objective is total return, measured in U.S. dollars.

### Investment Policy

The fund seeks to generate returns by (i) investing in individual securities normally focusing on equity securities of companies in developed and emerging markets and (ii) using a tactical asset allocation overlay primarily using derivative instruments to seek to decrease the volatility of the fund's returns by reducing the fund's exposure to the equity and/or currency markets associated with the investments held in the fund's portfolio and also to potentially expose the fund to asset classes and/or markets in which the fund has little or no exposure (e.g., high income debt instruments). The fund normally focuses its investments in equity securities located in developed and emerging market countries. The fund may seek to limit its exposure to certain extreme market events.

The Investment Manager uses a bottom-up approach to buying and selling individual investments for the fund. Investments are selected primarily based on blending fundamental and quantitative research. In selecting individual investments, the fund may also use derivatives for different purposes (hedging or investment), to increase or decrease exposure to a particular market, segment of the market, or security, to manage interest rate or currency exposure or other characteristics of the fund, or as alternatives to direct investments. Some portion of the fund's assets will be held in cash due to collateral requirements for the fund's investments in derivatives, purchase and redemption activity, and other short term cash needs.

The fund's total market exposure includes the fund's exposure to the equity market through its portfolio investments and exposure to any other markets through the tactical asset allocation overlay. The fund's total market exposure will normally be between 10% and 90% of the fund's assets. When the investment manager's assessment of the relative attractiveness of asset classes and markets is neutral, the fund's exposure to the equity

market is expected to be approximately 50% of the fund's assets. The fund's tactical asset allocation process will typically make extensive use of derivatives.

The fund's benchmarks, BofA Merrill Lynch 0-3 Month U.S. Treasury Bill Index (USD) and MSCI All Country World Index (USD), are indicated for performance comparison only. While many issuers in which the fund invests are generally represented in the benchmark, the fund is actively managed within its objectives and the investment strategy will not restrict the extent to which portfolio holdings may deviate from the benchmark. The deviation may be significant.

### Currency Hedging

MFS will generally enter into currency hedging transactions for this class with the aim to reduce exchange rate and return fluctuations between the class and U.S. dollars, the base currency class of the fund.

### Distributions

Income will not be distributed to shareholders but reflected in the assets of the fund.

### Redeeming Shares

You may sell your shares on each business day when banks in Luxembourg are open for normal business and the New York Stock Exchange is open for trading.

### Terms to Understand

**Equity securities** represent an ownership interest, or the right to acquire an ownership interest, in a company or other issuer.

**Derivatives** are financial contracts whose value is based on the value of one or more underlying indicators or the difference between underlying indicators.

## RISK AND REWARD PROFILE

This rating system is based on how much the returns of the class have varied over the past 5 years compared to the risk limit adopted by the fund. Where 5 years' performance history is not available the data consists of historical returns representative of the fund, benchmark returns or returns for another class with the same currency as appropriate. Past returns may not be a reliable indicator of the future risk and reward profile of the class, and the rating may change over time based on the more recent returns. A fund in the lowest category does not mean a risk-free investment.



**Lower risk**

Typically lower rewards

**Higher risk**

Typically higher rewards

The fund is in category 6 because there has been high fluctuations in the fund's return historically.

**Strategy Risk:** The fund's strategy to reduce its exposure to the equity and/or currency markets and to potentially expose the fund to asset classes and/or markets in which the portfolio has little or no exposure, may not produce the intended results. There is no assurance that the fund will be less volatile than the overall equity market over the long term or for any year

or period of years. In addition, the strategies that may be implemented to limit the fund's exposure to certain extreme market events may not work as intended, and the costs associated with such strategies will reduce the fund's returns. The Investment Manager's investment analysis, its development and use of quantitative models, and its selection of investments may not produce the intended results. Quantitative models may not produce the intended results due to the factors used in the models, the weight placed on each factor in the models, changing sources of market return or market risk, and technical issues in the use of the models. It is expected that the fund will generally underperform the equity markets during periods of strong rising equity markets.

**Equity Risk:** Prices of equity securities can vary significantly in response to issuer, market, economic, industry, political, and regulatory conditions. This risk may be higher where the fund invests in a specific country or region.

**Debt Instruments Risk:** Prices of debt instruments can vary significantly in response to changes in interest rates and the credit quality of the issuers of its investments, and to issuer, market, economic, industry, political, and regulatory conditions. These risks may be higher where the fund invests in a specific country or region or invests in below investment grade debt instruments.

**Emerging Markets Risk:** Emerging markets can be more volatile and less liquid than more developed markets.

**Derivatives Risk:** Derivatives can be highly volatile and can involve leverage. Gains or losses from derivatives can be substantially greater than the derivatives' original cost.

**Leverage Risk:** Leverage involves investment exposure in an amount exceeding the initial investment. Leverage can cause increased volatility by magnifying gains or losses.

**Currency Risk:** Changes in currency rates can significantly affect the value of your investment, and may also affect the financial condition of the issuers in which the fund invests.

#### Other Risks

The rating does not reflect the risk that these factors, as well as other factors such as liquidity, counterparty, and operational risks change over time and can affect the fund's returns differently in the future.

The fund may not achieve its objective and/or you could lose money on your investment in the fund. For more information about the fund's risks, please see "Fund Profiles" and "Risk Factors" in the prospectus.

## CHARGES

You pay the following costs for the marketing, distribution, and operation of the fund. These charges reduce the value of your investment.

#### One-off charges taken before or after you invest

Entry charge.....0.00%

Exit charge.....0.00%

This is the maximum that might be taken out of your money before it is invested and before the proceeds of your investments are paid out.

#### Charges taken from the fund over a year

Ongoing Charges.....0.91%

#### Charges taken from the fund under certain specific conditions

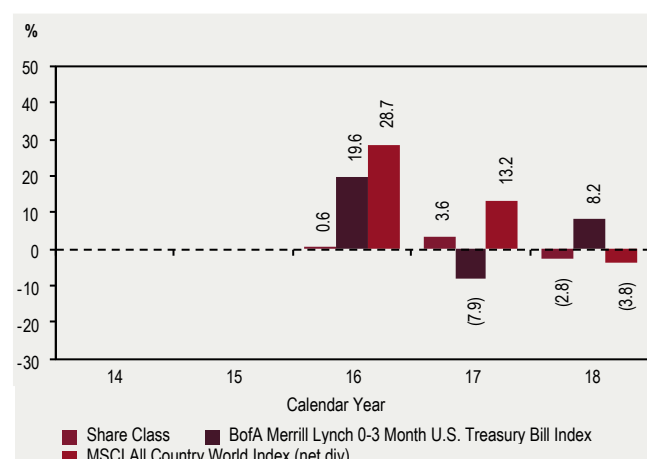
## PAST PERFORMANCE

Past performance is not a guide to future performance. Performance shown takes into account ongoing charges but not entry and exit fees, if any, and is calculated in Sterling. Performance for the fund's primary and secondary benchmark is also shown. Performance of the benchmark is presented in the fund's base currency based on the hedging objective of this share class.

Performance fee.....0.00%

The entry and exit charges shown are the highest possible charges you would pay. Please consult your financial intermediary to find out your actual charges which might be less.

The ongoing charges figure shown here is based on annualised expenses for the six month period ended 31 July 2019. Ongoing charges may vary from year to year. For more information about the fund's expenses, please see "Fund Profiles" section in the prospectus, which is available at [meridian.mfs.com](http://meridian.mfs.com).



The fund was launched in 2015.

## PRACTICAL INFORMATION

### Depository

State Street Bank International GmbH, Luxembourg Branch, is the depository.

### Exchanging Between Funds

You may exchange your shares into shares of another class of the same or another fund of MFS Meridian Funds having the same fee structure (and in certain cases, into classes with a different fee structure). An exchange within the same fund must be into a class with the same currency denomination.

### Further Information

You may obtain copies of the prospectus and the annual and half-yearly reports of the fund in English free of charge from the MFS Meridian Funds, c/o State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg. Other information about the fund, including share prices is available at [meridian.mfs.com](http://meridian.mfs.com) or in local media and/or with the fund's local agent in certain countries. Information about other classes of the fund available in your country is available at [meridian.mfs.com](http://meridian.mfs.com) or from your financial intermediary. Information on the remuneration policy, including a description of how remuneration and benefits are calculated and the composition of the remuneration committee, is available at [meridian.mfs.com](http://meridian.mfs.com). A paper copy can be obtained free of charge in English from MFS Investment Management Company (Lux) S.à r.l.

### Notices

The fund is a sub-fund of MFS Meridian Funds. The assets and liabilities of this fund are segregated from other funds in the MFS Meridian Funds. The prospectus and periodic reports are in the name of the MFS Meridian Funds. MFS Meridian Funds may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the fund.

### Tax

The tax laws of Luxembourg, in addition to the tax laws of your country of residence, may impact how your investment in the fund is taxed.

This fund is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier.

This key investor information is accurate as at 4 November 2019.