

M&G (Lux) Investment Funds 1
Société d'Investissement à Capital Variable
Registered office: 49, Avenue J.F. Kennedy, L-1855 Luxembourg
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30 March 2021

Dear Investor

I am writing to you to inform you of changes made to the following funds and introduced in the prospectus update dated March 2021 (the "Prospectus").

1. Enhanced disclosures on Environmental, Social and Governance (ESG), sustainable and positive impact investments for:

- **M&G (Lux) Climate Solutions Fund**
- **M&G (Lux) Emerging Markets Corporate ESG Bond Fund**
- **M&G (Lux) Global High Yield ESG Bond Fund**
- **M&G (Lux) Global Listed Infrastructure Fund**
- **M&G (Lux) Global Select Fund**
- **M&G (Lux) Pan European Select Fund**
- **M&G (Lux) Positive Impact Fund**
- **M&G (Lux) Sustainable Allocation Fund**

(each a "Fund", together the "Funds"), all sub-funds of M&G (Lux) Investment Funds 1

2. Change to the investment policy of the M&G (Lux) Sustainable Allocation Fund

Please note that there will be no change to the way the Funds are managed, nor to the types of assets they are allowed to hold. The Funds' overall asset allocations and risk profiles will not be impacted by the changes. You do not need to take any action.

1. Enhanced disclosures on ESG, sustainable and positive impact investments

Background

New and enhanced ESG disclosures have been introduced in the Prospectus to meet the requirements of two new regulations which came into effect on 10 March 2021:

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- the European Union’s Sustainable Finance Disclosure Regulation (SFDR); and
- the Autorité des Marchés Financiers (AMF, the French regulator) Position-Recommendation 2020-03 policy on investor information to be provided by ESG funds marketed in France.

These new regulations aim to:

- ensure that ESG funds’ information disclosed to investors is clear, accurate and not misleading;
- provide greater transparency on the degree of sustainability of financial products through the introduction of defined disclosure requirements on financial products’ ESG and sustainability characteristics; and
- prevent the risk of greenwashing. Greenwashing occurs when an organisation makes misleading claims about environmental practices, performance or products to make them appear to be more sustainable and ethical than they actually are. The new regulations require that information is provided to investors regarding a given fund’s consideration of non-financial characteristics (e.g. ESG criteria such as responsible, sustainable, ethical or low carbon investing) is proportionate to the actual consideration of these factors.

The new disclosure requirements will make it easier for investors to:

- understand how ESG and sustainability factor into a fund’s investment strategy and assess its degree of sustainability; and
- compare different funds’ ESG criteria.

What changes have we made to the Funds?

We have updated the Fund Supplements of each Fund to enhance ESG-related disclosures as follows:

- Amendments and clarifications to the Funds’ investment objectives, investment policies and investment strategies. In particular:
 - **Investment objective:** enhancements improving non-financial disclosures to provide greater clarity for investors.
 - **Investment policy:** introduction of ESG exclusion types categorising investments excluded from a Fund’s investment universe based on specific norm-based, sector-based and/or values-based exclusions. Further details on ESG exclusions applicable to each Fund are made available to investors through a separate ‘ESG Criteria’ document published on the M&G website.
 - **Investment strategy:** in order to complement the general investment approach information, a **new ‘Responsible Investment Approach’ section** including a categorisation of each ESG fund based on its approach to responsible investment is added.
- Introduction of a **new “ESG information” section** to provide details of where investors can find, on the M&G website, additional information on each Fund’s ESG criteria and reporting on the non-financial objective and/or characteristics.
- Amendment to the description of the **“Profile of Typical Investor”** section for some Funds to provide greater clarity for investors.

continued

- Addition of a new **Appendix 1 to the Prospectus titled “ESG Integration and Approaches to Responsible Investment”**. This appendix provides key definitions that are used when referring to the approaches to Responsible Investment in the Fund Supplements. This includes information on the classification of the “Planet+ Funds” which are the M&G range of sustainability focused funds. The Funds are classified as ESG+, Sustainable or Impact Funds.

2. Change to the investment policy of the M&G (Lux) Sustainable Allocation Fund

We also make an additional change to the M&G (Lux) Sustainable Allocation Fund’s investment policy in order to increase the proportion of its portfolio it can hold in “positive impact” assets. These are assets that have a positive societal impact through addressing the world’s major social and environmental challenges.

The current investment policy requires the M&G (Lux) Sustainable Allocation Fund to invest between 10% and 30% of its portfolio in positive impact assets. From 30 April 2021, the Fund’s minimum exposure to these assets will rise to 20% and, although they will typically represent between 20% to 50% of its portfolio, there will no longer be a cap on the proportion of positive impact assets the Fund can hold.

The issuance of positive impact assets has grown substantially since the Fund was launched, considerably expanding the investment universe for these assets. The change will provide the Fund’s investment manager with the flexibility to make greater use of this widening range of investment opportunities, which we believe will increase the Fund’s potential to meet its investment objective.

For details of the relevant Funds and the above changes, please refer to the Appendix and the full version of the Prospectus.

Costs associated with the changes

All administration costs associated with the changes will be borne by M&G.

Making changes to your investment

You may sell your investment, or switch it to another Fund of the Company or M&G fund, free of charge, at any point before or after the changes have taken place subject to our terms and conditions.

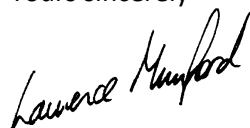
For more information

If you are in any doubt as to the action to be taken or require further information, please do not hesitate to contact your usual M&G contact or, for operational queries, our Customer Services team by email at csmandg@rbc.com. We are open from 09:00 to 18:00 CET Monday to Friday. For security and to improve the quality of our service we may record and monitor telephone calls.

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Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser.

Yours sincerely

A handwritten signature in black ink that reads "Laurence Mumford". The signature is written in a cursive style with a large initial 'L'.

Laurence Mumford
Chair, M&G (Lux) Investment Funds 1

Encl: Comparison of previous and new wording for the Funds' Prospectus disclosures, and investment policy for M&G (Lux) Sustainable Allocation Fund to be effective from 30 April 2021.

Appendix

Details of changes related to Environmental, Social and Governance (ESG), sustainable and positive impact investments for the Funds

Additional changes to the investment policy change for M&G (Lux) Sustainable Allocation Fund

The updated wording listed below is reflected in the Company's Prospectus effective March 2021. The additional change to M&G (Lux) Sustainable Allocation Fund will be effective on 30 April 2021.

You may notice that the wording differs from those in the Funds' Key Investor Information Documents (KIIDs). This is because the Prospectus describes the full scope of the tools available to the fund manager and the limitations within which they must operate, whereas the information listed in the KIIDs provides a shorter description. KIIDs based on the new investment objectives, investment policies and investment strategies will be available to view at www.mandg.com

You can also visit our fund centre at www.mandg.com to compare your fund's performance to that of its comparable market index, where relevant.

Contents

•	M&G (Lux) Climate Solutions Fund	p2
•	M&G (Lux) Emerging Markets Corporate ESG Bond Fund	p6
•	M&G (Lux) Global High Yield ESG Bond Fund	p9
•	M&G (Lux) Global Listed Infrastructure Fund	p12
•	M&G (Lux) Global Select Fund	p15
•	M&G (Lux) Pan European Select Fund	p18
•	M&G (Lux) Positive Impact Fund	p21
•	M&G (Lux) Sustainable Allocation Fund (including investment policy effective from 30 April 2021)	p25 p28

- **M&G (Lux) Climate Solutions Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to:</p> <ul style="list-style-type: none"> • Invest in companies that deliver solutions to the challenge of climate change; and • Provide a higher total return (capital growth plus income) than that of the global equity market over any five-year period. 	<p>Investment objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • Financial objective: to provide a higher total return (capital growth plus income) than that of the global equity market over any five-year period; and • Impact objective: to invest in companies that deliver solutions to the challenge of climate change.
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities and equity related instruments of companies across any sector and market capitalisation that are domiciled, incorporated or listed in any developed market. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>All equity securities and equity related instruments are subject to assessment and measurement of the ability to deliver solutions to the challenge of climate change and generate financial returns which is conducted at a company level using M&G’s proprietary impact assessment methodology. This assessment focuses on three criteria:</p> <ul style="list-style-type: none"> • Investment Credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns; • Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and • Impact: the scale of the net climate impact and the company’s progress towards addressing the challenge of climate change. <p>To assist this assessment process, investments which are considered to conflict with the Fund’s aim to invest in companies that will deliver solutions to climate change are excluded from the investment universe. When considering the extraction of fossil fuels, the Fund excludes companies that are involved in the extraction of thermal coal, oil, and gas and those that use and/or produce hydraulic fracking technologies. When considering power generation, the Investment Manager has the discretion to invest in companies with limited exposure to power generation from fossil fuels, but which are driving or significantly participating in the transition to a more sustainable economy. To determine whether a company meets this threshold, the Investment Manager examines the company’s revenue from coal, oil, and gas, in addition to assessing their de-carbonisation commitments. To be considered for inclusion these companies must generate less than:</p> <ul style="list-style-type: none"> • 25% of their revenue from oil and gas power generation, or • 10% of their revenue from coal based power generation. <p>In addition, the following are excluded:</p> <ul style="list-style-type: none"> • Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; <p style="text-align: right;">(continued)</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities and equity related instruments of companies across any sector and market capitalisation that are domiciled, incorporated or listed in any developed market. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>The Fund invests in securities that meet the ESG Criteria and Impact Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Impact Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria and Impact Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>All equity securities and equity related instruments are subject to assessment and measurement of the ability to deliver solutions to the challenge of climate change and generate financial returns, which is conducted at a company level using M&G’s impact assessment methodology. This impact assessment methodology includes a scoring process which focuses on three criteria:</p> <ul style="list-style-type: none"> • Investment Credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns; • Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and • Impact: the scale of the net climate impact and the company’s progress towards addressing the challenge of climate change. <p style="text-align: right;">(continued)</p>

<ul style="list-style-type: none"> • Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, nuclear power, the use of animal testing for non-medical purposes, and the provision of gambling services; • Companies that derive more than 5% of their revenue from the manufacture of weapons or genetically modified crop production; and • Companies that derive more than 10% of their revenue from the distribution of tobacco. <p>The impact assessment methodology is then used by the Investment Manager in determining which investments to make within the remaining investment universe.</p> <p>The Fund may also invest in the equity securities and equity related instruments of companies that are domiciled, incorporated or listed in emerging markets, including investments in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect up to 20% of its Net Asset Value. Such equity securities and equity related instruments are also subject to the impact assessment methodology and exclusions above.</p> <p>The Fund may also invest indirectly via funds (i.e. UCITS and other UCIs including funds managed by M&G), and may invest in other transferable securities such as short dated bonds and money market instruments for liquidity management, cash, and near cash.</p> <p>The Fund may use derivatives for efficient portfolio management and hedging.</p>	<p>The Fund may also invest in the equity securities and equity related instruments of companies that are domiciled, incorporated or listed in emerging markets, including investments in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect up to 20% of its Net Asset Value. Such equity securities and equity related instruments are also subject to the impact assessment methodology and exclusions above.</p> <p>The Fund may also invest indirectly via funds (i.e. UCITS and other UCIs including funds managed by M&G), and may invest in other transferable securities such as short dated bonds and money market instruments for liquidity management, cash, and near cash.</p> <p>The Fund may use derivatives for efficient portfolio management and hedging.</p>
<p>Investment approach</p> <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that are delivering solutions to the challenge of climate change alongside a financial return, using a disciplined stock selection process. Sustainability and impact considerations are fundamental in determining the Fund’s investment universe and assessing business models.</p> <p>The Fund invests in three categories of climate solution companies:</p> <ul style="list-style-type: none"> • "Pioneers", whose solutions have a transformational effect on the challenge of climate change; • "Enablers", which provide the tools for others to deliver solutions to the challenge of climate change; and • "Leaders", which spearhead the development of climate change solutions within their industries. <p>Investing in these categories provides diversification across industries and maturity of business models. Risk within the Fund’s portfolio is further diversified by balancing investment in companies that have relatively predictable and stable earnings regardless of the state of the overall economy, with those more sensitive to the economic cycle.</p> <p>The Investment Manager embraces the United Nations Sustainable Development Goals framework and invests in companies focused on areas such as clean energy, green technology and the promotion of a circular economy.</p> <p>The Investment Manager’s engagement with the companies in which the Fund invests is fundamental to the investment approach, with the aim of supporting and influencing their contribution to the development of climate change solutions.</p> <p style="text-align: right;">(continued)</p>	<p>Investment strategy</p> <p>- Investment approach</p> <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that are delivering solutions to the challenge of climate change alongside a financial return, using a disciplined stock selection process.</p> <p>Sustainability and impact investing considerations are fundamental in determining the Fund’s investment universe and assessing business models.</p> <p>In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:</p> <ol style="list-style-type: none"> 1. The exclusions listed in the Investment Policy are screened out. 2. The Investment Manager then identifies the companies that are considered suitable for further analysis. As part of the M&G’s impact assessment methodology, the Investment Manager analyses and scores these companies to assess their suitability for the Fund. The impact assessment methodology including the scoring process applied by the Investment Manager is detailed in the ESG Criteria and Impact Criteria document. The remaining companies form a watchlist of climate solution companies that can be purchased. 3. From this narrowed investment universe, the Investment Manager performs fundamental analysis to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund’s financial objective. <p>The Investment Manager selects the most suitable assets from the watchlist to build a high-conviction portfolio diversified across impact areas.</p> <p style="text-align: right;">(continued)</p>

<p>Further information about the Investment Manager’s ESG criteria applied to the Fund is available on the following website: https://www.mandg.lu/investment-professionals/-/media/Literature/Europe/International%20English/mandg-lux-climate-solutions-fund-esg-policy-and-process.pdf</p>	<p>The Fund embraces the United Nations Sustainable Development Goals framework. It invests in companies focused on impact areas which relate to sustainable investment that contributes to an environmental objective (such as clean energy, green technology and the promotion of a circular economy). The Fund’s investments do not significantly harm any of those objectives.</p> <p>The Fund invests in three categories of climate solution companies:</p> <ul style="list-style-type: none"> • "Pioneers", whose solutions have a transformational effect on the challenge of climate change; • "Enablers", which provide the tools for others to deliver solutions to the challenge of climate change; and • "Leaders", which spearhead the development of climate change solutions within their industries. <p>Investing in these categories provides diversification across industries and maturity of business models. Risk within the Fund’s portfolio is further diversified by balancing investment in companies that have relatively predictable and stable earnings regardless of the state of the overall economy, with those more sensitive to the economic cycle.</p> <p>The Investment Manager’s engagement with the companies in which the Fund invests is fundamental to the investment approach, with the aim of supporting and influencing their contribution to the development of climate change solutions.</p> <ul style="list-style-type: none"> - Responsible investment approach • The Fund is categorised as Planet+ / Impact. • The ESG Criteria and Impact Criteria are anticipated to reduce the Fund's investment universe by at least 20%. • All securities held in the Fund are subject to the ESG Criteria and Impact Criteria. This is achieved through the use of M&G’s proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Impact Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. <p>The ESG categorisation of the Fund is explained in Appendix 1 “ESG Integration and Approaches to Responsible Investment” of this Prospectus. Investors should refer to that section for further details.</p>
<p>ESG information N/A</p>	<p>ESG information Additional information is available to investors on the Fund page of the M&G website ESG Criteria and Impact Criteria: in the document titled “M&G (Lux) Climate Solutions Fund – ESG Criteria and Impact Criteria” which includes the Fund’s exclusions approach.</p> <ul style="list-style-type: none"> • An Annual Impact Report providing an assessment of the impact objective of the Fund. • Any other periodic reporting against the Fund’s impact objective.

<p>Benchmark</p> <p>MSCI World Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the Fund’s financial objective. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund’s portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is shown in the share class currency.</p> <p>An Annual Impact Report will be published to provide an assessment of the non-financial objective of the Fund. This report will be available on the M&G website under the Fund Literature section.</p>	<p>Benchmark</p> <p>MSCI World Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the Fund’s financial objective. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund’s portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria and Impact Criteria.</p> <p>The benchmark is shown in the share class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking a combination of capital growth and income by investing in a portfolio of shares of companies from anywhere in the world that aim to deliver solutions to the challenge of climate change.</p> <p>Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking a combination of capital growth and income by investing in a portfolio of shares of companies from anywhere in the world that aim to deliver solutions to the challenge of climate change.</p> <p>There is no guarantee that the Fund will achieve its objectives. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>

- **M&G (Lux) Emerging Markets Corporate ESG Bond Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of income and capital growth) than that of the corporate bond markets in emerging markets over any three-year period.</p>	<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of income and capital growth) than that of the corporate bond markets in emerging markets over any three-year period while applying ESG Criteria.</p>
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in debt securities issued by companies and quasi-sovereigns that are incorporated, domiciled, or do most of their business activity in emerging markets, and are denominated in hard currency.</p> <p>The Fund may invest in debt securities issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities and supranational bodies and other debt securities denominated in any currency.</p> <p>The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.</p> <p>There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in below investment grade and unrated debt securities.</p> <p>The Fund invests in securities that meet the Investment Manager’s environmental, social and governance (ESG) criteria. This is achieved through the use of third party ESG information and/or proprietary analysis.</p> <p>In addition, the Fund aims to exclude securities issued by, but not limited to:</p> <p>companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment, and anti-corruption;</p> <p>companies that derive any revenue from defence and weapons; and</p> <p>companies that derive revenue of more than 5% for producers, and 10% for distributors, from the following industries: tobacco, alcohol, adult entertainment, gambling, nuclear power or thermal coal.</p> <p>The Fund may invest up to 10% of its Net Asset Value in asset-backed securities and up to 10% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, spot and forward contracts, exchanged traded futures, credit default swaps, interest rate swaps and credit linked notes.</p> <p>Derivatives, other transferable securities, cash and near cash may not be subject to the same ESG restrictions as other securities held in the portfolio.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in debt securities issued by companies and quasi-sovereigns that are incorporated, domiciled, or do most of their business activity in emerging markets, and are denominated in hard currency.</p> <p>The Fund may invest in debt securities issued or guaranteed by emerging market governments or their agencies, local authorities, public authorities and supranational bodies and other debt securities denominated in any currency.</p> <p>The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.</p> <p>There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in below investment grade and unrated debt securities.</p> <p>The Fund invests in securities that meet the ESG Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>The Fund may invest up to 10% of its Net Asset Value in asset-backed securities and up to 10% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, spot and forward contracts, exchanged traded futures, credit default swaps, interest rate swaps and credit linked notes.</p>

Investment approach

The Fund's investment approach involves an in-depth analysis of corporate bond issuers from emerging markets. Given the nature of emerging markets, the analysis of corporate bonds and their issuers will be performed in conjunction with a detailed credit assessment of the relevant sovereign(s).

The Investment Manager will also undertake an assessment of macroeconomic factors such as the global risk appetite and catalysts for global economic growth. These considerations will help to determine the fund's sector positioning, regional allocation and overall level of credit risk.

ESG characteristics are assessed as part of the analysis of corporate bond issuers, driving security selection and acting as an additional filter to the Fund's hard ESG exclusion policies.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Investment strategy**- Investment approach**

The Fund's investment approach involves an in-depth analysis of corporate bond issuers from emerging markets. Given the nature of emerging markets, the analysis of corporate bonds and their issuers will be performed in conjunction with a detailed credit assessment of the relevant sovereign(s).

Consideration of ESG Factors is fully integrated into credit analysis and investment decisions.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the Investment Policy are screened out.
2. The Investment Manager then assesses the ESG credentials of the remaining issuers. Based upon a combination of external ESG ratings and the Investment Manager's assessment, lower scoring issuers classified as ESG laggards are excluded. This process results in a portfolio tilted towards issuers with better ESG characteristics. Further information about the assessment and scoring process can be found in the ESG Criteria document.
3. From this narrowed investment universe, the Investment Manager performs fundamental analysis taking into consideration macroeconomic, sector, and company specific information, as well as analysis of corporate bonds and their issuers to identify and take advantage of mispriced bonds.

The Investment Manager will also undertake an assessment of macroeconomic factors such as the global risk appetite and catalysts for global economic growth. These considerations will help to determine the fund's sector positioning, regional allocation and overall level of credit risk.

- Responsible investment approach

- The Fund is categorised as Planet+ / ESG+ and promotes ESG characteristics.
- Within this category, the Positive ESG Tilt approach is applied.
- The ESG Criteria are anticipated to reduce the Fund's investment universe by at least 20%.
- All securities held in the Fund are subject to the ESG Criteria. This is achieved through the use of M&G's proprietary analysis and/or third party ESG information. As explained in the ESG Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments.

The ESG categorisation of the Fund is explained in Appendix 1 "ESG Integration and Approaches to Responsible Investment" of this Prospectus. Investors should refer to that section for further details.

<p>ESG information</p> <p>N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria: in the document titled "M&G (Lux) Emerging Markets Corporate ESG Bond Fund – ESG Criteria" which includes the Fund's exclusions approach. • Periodic reporting against the Fund's non-financial characteristics.
<p>Benchmark</p> <p>JPM CEMBI Broad Diversified Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is shown in the share class currency.</p>	<p>Benchmark</p> <p>JPM CEMBI Broad Diversified Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria.</p> <p>The benchmark is shown in the share class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors who prioritise environmental, social and governance (ESG) matters in the pursuit of capital growth and income from a portfolio of emerging market corporate debt securities.</p> <p>Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least three years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors who seek capital growth and income from a portfolio of emerging market corporate debt securities and who want a fund that applies ESG Factors when investing.</p> <p>There is no guarantee that the Fund will achieve its objective. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least three years.</p>

- **M&G (Lux) Global High Yield ESG Bond Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of capital growth and income) while considering environmental, social and governance (ESG) factors, and seeks to achieve a higher ESG rating than the global high yield market.</p>	<p>Investment objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • to provide a higher total return (the combination of capital growth and income) than the global high yield market over any five-year period, while applying ESG Criteria; and • to achieve a higher ESG rating than the global high yield market.
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies denominated in any currency.</p> <p>The Fund does not take currency views and aims to hedge any non-USD assets to USD. Issuers of these securities may be located in any country, including emerging markets.</p> <p>There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in high yield and unrated debt securities.</p> <p>The Fund invests in securities that meet the Investment Manager’s environmental, social and governance (ESG) criteria. This is achieved through the use of third party ESG information and/or proprietary analysis.</p> <p>In addition, the Fund aims to exclude securities issued by, but not limited to:</p> <ul style="list-style-type: none"> • companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption; • companies that derive any revenue from defence and weapons; and • companies that derive revenue of more than 5% for producers, and 10% for distributors, from the following industries: tobacco, alcohol, adult entertainment, gambling, nuclear power or thermal coal. <p>The Fund may invest up to 20% of its Net Asset Value in asset-backed securities and up to 20% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, spot and forward contracts, exchanged traded futures, credit default swaps, interest rate swaps, total return swaps and credit linked notes.</p> <p>Derivatives, other transferable securities, cash and near cash may not be subject to the same ESG restrictions as other securities held in the portfolio.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in high yield bonds issued by companies located anywhere in the world including emerging markets, and denominated in any currency.</p> <p>The Fund does not take currency views and aims to hedge any non-USD assets to USD.</p> <p>There are no credit quality restrictions applicable to the investments and the Fund may invest up to 100% of its Net Asset Value in high yield and unrated debt securities.</p> <p>The Fund invests in securities that meet the ESG Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>The Fund may invest up to 20% of its Net Asset Value in asset-backed securities and up to 20% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>The Fund may use derivatives for investment purposes, efficient portfolio management and hedging. These instruments may include, but are not limited to, spot and forward contracts, exchanged traded futures, credit default swaps, interest rate swaps, total return swaps and credit linked notes.</p>

Investment approach

The Fund is globally diversified and the Investment Manager seeks to provide exposure to a broad range of individual issuers across a variety of sectors.

The Investment Manager has the flexibility to adjust the Fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

ESG characteristics are assessed as part of the analysis of corporate bond issuers, driving security selection and acting as an additional filter to the Fund's hard ESG exclusion policies.

Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.

Investment strategy

- Investment approach

The Fund is globally diversified and the Investment Manager seeks to provide exposure to a broad range of individual issuers across a variety of sectors.

Consideration of ESG Factors is fully integrated into credit analysis and investment decisions.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the Investment Policy are screened out.
2. The Investment Manager then assesses the ESG credentials of the remaining issuers. Based upon a combination of external ESG ratings and the Investment Manager's assessment, lower scoring issuers classified as ESG laggards are excluded. This process results in a portfolio tilted towards issuers with better ESG characteristics. Further information about the assessment and scoring process can be found in the ESG Criteria document.
3. From this narrowed investment universe, the Investment Manager performs fundamental analysis taking into consideration macroeconomic, sector, and company specific information, as well as analysis of corporate bonds and their issuers to identify and take advantage of mispriced bonds.

The Investment Manager has the flexibility to adjust the Fund's credit exposure, sector positioning and regional allocations depending on the assessment of current market valuations and the macroeconomic environment, including the likely path of economic growth, inflation and interest rates.

Individual credit selection is carried out in conjunction with the in-house team of credit analysts, which provides bottom-up analysis of the corporate bond markets to complement the Investment Manager's views.

- Responsible investment approach

- The Fund is categorised as Planet+ / ESG+ and promotes ESG characteristics.
- Within this category, the Positive ESG Tilt approach is applied.
- The ESG Criteria are anticipated to reduce the Fund's investment universe by at least 20%.
- All securities held in the Fund are subject to the ESG Criteria. This is achieved through the use of M&G's proprietary analysis and/or third party ESG information. As explained in the ESG Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments.

The ESG categorisation of the Fund is explained in Appendix 1 "ESG Integration and Approaches to Responsible Investment" of this Prospectus. Investors should refer to that section for further details.

<p>ESG information</p> <p>N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria: in the document titled "M&G (Lux) Global High Yield ESG Bond Fund – ESG Criteria" which includes the Fund's exclusions approach. • Periodic reporting against the Fund's non-financial objective.
<p>Benchmark</p> <p>ICE BofA Merrill Lynch Global High Yield Index USD Hedged</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is shown in the Share Class currency.</p>	<p>Benchmark</p> <p>ICE BofA Merrill Lynch Global High Yield Index USD Hedged</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria.</p> <p>The benchmark is shown in the Share Class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors who prioritise environmental, social and governance (ESG) matters in the pursuit of capital growth and income from a portfolio of higher yielding corporate debt securities.</p> <p>Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors who seek capital growth and income from a portfolio of higher yielding corporate debt securities and who want a fund that applies ESG Factors when investing.</p> <p>There is no guarantee that the Fund will achieve its objectives. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>

- **M&G (Lux) Global Listed Infrastructure Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period; and • to deliver an income stream that increases every year in US Dollar terms. 	<p>Investment objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • to deliver a higher total return (the combination of capital growth and income) than that of the global equities market over any five-year period; and • to deliver an income stream that increases every year in US Dollar terms. <p>The Fund seeks to deliver its financial objectives while applying ESG Criteria and Sustainability Criteria.</p>
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in eligible publicly-listed equity securities issued by infrastructure companies, investment trusts and closed-ended real estate investment trusts ("REITs") across any market capitalisation that are domiciled in any country, including emerging markets.</p> <p>The minimum 80% allocation may include ordinary shares, preference shares and convertible bonds (the Fund may hold up to a maximum of 20% of its Net Asset value in Convertible Bonds). Infrastructure companies include those involved in the following business activities: utilities, energy, transport, health, education, security, communications and transactions. The Fund is expected to exhibit lower volatility and offer a higher dividend yield than the global equities market which is consistent with the characteristics of infrastructure securities. The Fund usually holds fewer than 50 stocks.</p> <p>The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.</p> <p>Sustainability considerations play an important role in assessing business models. Companies that derive more than 30% of their revenue from coal-fired and nuclear power are excluded from the investment universe. Industries such as tobacco, alcohol, adult entertainment, gambling and controversial weapons are also excluded. United Nations Global Compact principles on human rights, labour, environmental and anti-corruption are also considered in the analysis of companies.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may also invest in other assets including collective investment schemes, other transferable securities, cash and near cash, deposits and warrants. The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in eligible publicly-listed equity securities issued by infrastructure companies, investment trusts and closed-ended real estate investment trusts ("REITs") across any market capitalisation that are domiciled in any country, including emerging markets.</p> <p>The minimum 80% allocation may include ordinary shares, preference shares and convertible bonds (the Fund may hold up to a maximum of 20% of its Net Asset value in Convertible Bonds). Infrastructure companies include those involved in the following business activities: utilities, energy, transport, health, education, security, communications and transactions. The Fund is expected to exhibit lower volatility and offer a higher dividend yield than the global equities market which is consistent with the characteristics of infrastructure securities. The Fund usually holds fewer than 50 stocks.</p> <p>The Fund invests in securities that meet the ESG Criteria and Sustainability Criteria.</p> <p>The following types of exclusions apply to the Fund's direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund's sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Sustainability Criteria. <p>References to "assessed" above mean assessment in accordance with the ESG Criteria and Sustainability Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may also invest in other assets including collective investment schemes, other transferable securities, cash and near cash, deposits and warrants. The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>

Investment approach

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of countries and sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

Sustainability considerations encompassing Environmental, Social and Governance issues are fully integrated into the investment process with a focus on risks specific to infrastructure companies. The monitoring of these risks involves regular engagement with company management.

Investment strategy**- Investment approach**

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies. Dividend yield is not the primary consideration for stock selection.

Sustainability considerations are integrated into the investment process, with a focus on the long-term sustainability of underlying infrastructure assets in which the strategy invests. The Fund's asset class-specific approach takes into account ESG risks and considerations specific to listed infrastructure, and includes ongoing engagement with investee companies, where required.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the Investment Policy are screened out.
2. The Investment Manager then identifies the companies that are considered suitable for further analysis. The Investment Manager analyses these companies from an ESG perspective using a proprietary infrastructure sector-specific quality assessment. This includes an assessment of ESG Factors, alongside other financial and operational characteristics. Following the ESG-related quality assessment, the Investment Manager then quantifies ESG risks for these companies, to determine whether these have been accounted for in a company's valuation. More information about the abovementioned assessment process can be found in the ESG Criteria and Sustainability Criteria document.
3. The Investment Manager then performs fundamental analysis to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund's financial objective.

The Investment Manager aims to create a diversified portfolio with exposure to a broad range of countries and sectors. Stocks with different drivers of dividend growth are selected to construct a portfolio that has the potential to cope in a variety of market conditions.

The Investment Manager seeks to invest in companies with excellent capital discipline and the potential for long-term dividend growth. The Investment Manager believes rising dividends create upward pressure on the value of shares.

Furthermore, the Investment Manager seeks to invest in businesses and assets consistent with the transition to a Net Zero Emissions global economy by 2050. As such, the Investment Manager focuses on identifying companies with resilient business models which may support, and benefit from, the climate transition.

- Responsible investment approach

- The Fund is categorised as Planet+/ Sustainable and promotes ESG characteristics. Within this category, the Best-in-Class approach is applied. In addition, an approach that allocates to companies that are rapidly improving their performance assessed against the ESG Criteria and Sustainability Criteria is applied.
- The ESG Criteria and Sustainability Criteria are anticipated to reduce the Fund's investment universe by at least 20%.

(continued)

	<ul style="list-style-type: none"> All securities held in the Fund are subject to the ESG Criteria and Sustainability Criteria. This is achieved through the use of M&G’s proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Sustainability Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. <p>The ESG categorisation of the Fund is explained in Appendix 1 “ESG Integration and Approaches to Responsible Investment” of this Prospectus. Investors should refer to that section for further details.</p>
<p>ESG information N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> ESG Criteria and Sustainability Criteria: in the document titled "M&G (Lux) Global Listed Infrastructure Fund – ESG Criteria and Sustainability Criteria" which includes the Fund’s exclusions approach. Periodic reporting against the Fund’s non-financial characteristics.
<p>Benchmark MSCI ACWI Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the scope of the Fund’s investment policy. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund’s portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is shown in the share class currency.</p>	<p>Benchmark MSCI ACWI Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the scope of the Fund’s investment policy. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund’s portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria and Sustainability Criteria.</p> <p>The benchmark is shown in the share class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and rising income from a diversified equity portfolio that invests in the publicly-listed equity securities issued by infrastructure companies, investment trusts and REITs across any market capitalisation that are domiciled in any country, but who appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and rising income from a diversified equity portfolio that invests in the publicly-listed equity securities issued by infrastructure companies, investment trusts and REITs across any market capitalisation that are domiciled in any country and who want a fund that applies ESG Factors when investing.</p> <p>There is no guarantee that the Fund will achieve its objectives. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>

- **M&G (Lux) Global Select Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period.</p>	<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period while applying ESG Criteria and Sustainability Criteria.</p>
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 40 stocks.</p> <p>The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.</p> <p>Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of sustainable companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund usually holds fewer than 40 stocks.</p> <p>The Fund invests in securities that meet the ESG Criteria and Sustainability Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Sustainability Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria and Sustainability Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>

Investment approach

The Fund is a focused core global equity fund, making long-term investments in companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Investment strategy

- Investment approach

The Fund is a focused core global equity fund, making long-term investments in quality companies with sustainable business models competitively positioned to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Sustainability considerations encompassing ESG Factors are fully integrated into the investment process through ongoing engagement with investee companies.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the Investment Policy are screened out.
2. The Investment Manager then assesses the sustainability credentials of the remaining companies. The Investment Manager analyses these companies using external and internal research, combining qualitative and quantitative methods to build a watchlist of companies assessed to have sustainable business models. This includes an assessment of ESG Factors at every stage of the company's fundamental analysis. More information about the abovementioned assessment process can be found in the ESG Criteria and Sustainability Criteria document.
3. The Investment Manager then performs further fundamental analysis, including ESG risks that may impair a business, to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund's financial objective. The Investment Manager selects the most suitable assets to build a concentrated and high-conviction portfolio.

- Responsible investment approach

- The Fund is categorised as Planet+ / Sustainable and promotes ESG characteristics.
- Within this category, the Best-in-Class approach is applied.
- The ESG Criteria and Sustainability Criteria are anticipated to reduce the Fund's investment universe by at least 20%.
- All securities held in the Fund are subject to the ESG Criteria and Sustainability Criteria. This is achieved through the use of M&G's proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Sustainability Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments.

The ESG categorisation of the Fund is explained in Appendix 1 "ESG Integration and Approaches to Responsible Investment" of this Prospectus. Investors should refer to that section for further details.

<p>ESG information</p> <p>N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria and Sustainability Criteria: in the document titled "M&G (Lux) Global Select Fund – ESG Criteria and Sustainability Criteria" which includes the Fund's exclusions approach. • Periodic reporting against the non-financial characteristics.
<p>Benchmark</p> <p>MSCI World Net Return Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is shown in the share class currency.</p>	<p>Benchmark</p> <p>MSCI World Net Return Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria and Sustainability Criteria.</p> <p>The benchmark is shown in the share class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and income from a portfolio that invests in a range of companies globally, but who appreciate that this is not guaranteed and that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and income from a portfolio that invests in a range of companies globally, and who want a fund that applies ESG Factors when investing.</p> <p>There is no guarantee that the Fund will achieve its objective. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>

- **M&G (Lux) Pan European Select Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period.</p>	<p>Investment objective</p> <p>The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the European equity market over any five-year period while applying ESG Criteria and Sustainability Criteria.</p>
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in, or conducting the major part of their economic activity in, Europe. The Fund usually holds fewer than 35 stocks.</p> <p>The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.</p> <p>Sustainability considerations play an important role in determining the investment universe and assessing business models. Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour, environment and anti-corruption are excluded from the investment universe. Industries such as tobacco and controversial weapons are also excluded.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of sustainable companies across any sectors and market capitalisations that are domiciled in, or conducting the major part of their economic activity in, Europe. The Fund usually holds fewer than 35 stocks.</p> <p>The Fund invests in securities that meet the ESG Criteria and Sustainability Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Sustainability Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria and Sustainability Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>The Fund may also invest in other assets including collective investment schemes, cash and near cash, deposits and warrants.</p> <p>The Fund may use derivative instruments for the purposes of hedging and efficient portfolio management.</p>

Investment approach

The Fund is a focused European equity fund, making long-term investments in companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Investment strategy

- Investment approach

The Fund is a focused European equity fund, making long-term investments in quality companies with sustainable business models competitively positioned to protect their profitability. Importantly, the Investment Manager invests in businesses where short-term issues have provided a clear valuation opportunity.

The Fund employs a bottom-up stock picking approach, driven by the fundamental analysis of individual companies.

The Investment Manager believes that this approach offers a powerful combination, providing the long-term compounded value of quality businesses, as well as the potential boost to a company's share price when a short-term issue has been resolved.

Sustainability considerations encompassing ESG Factors are fully integrated into the investment process through ongoing engagement with investee companies.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the Investment Policy are screened out.
2. The Investment Manager then assesses the sustainability credentials of the remaining companies. The Investment Manager analyses these companies using external and internal research, combining qualitative and quantitative methods to build a watchlist of companies assessed to have sustainable business models. This includes an assessment of ESG Factors at every stage of the company's fundamental analysis. More information about the abovementioned assessment process can be found in the ESG Criteria and Sustainability Criteria document.
3. The Investment Manager then performs further fundamental analysis, including ESG risks that may impair a business, to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund's financial objective. The Investment Manager selects the most suitable assets to build a concentrated and high-conviction portfolio.

- Responsible investment approach

- The Fund is categorised as Planet+ / Sustainable and promotes ESG characteristics. Within this category, the Best-in-Class approach is applied.
- The ESG Criteria and Sustainability Criteria are anticipated to reduce the Fund's investment universe by at least 20%.
- All securities held in the Fund are subject to the ESG Criteria and Sustainability Criteria. This is achieved through the use of M&G's proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Sustainability Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments.

The ESG categorisation of the Fund is explained in Appendix 1 "ESG Integration and Approaches to Responsible Investment" of this Prospectus. Investors should refer to that section for further details.

<p>ESG information</p> <p>N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria and Sustainability Criteria: in the document titled "M&G (Lux) Pan European Select Fund – ESG Criteria and Sustainability Criteria" which includes the Fund's exclusions approach. • Periodic reporting against the non-financial characteristics.
<p>Benchmark</p> <p>MSCI Europe Net Return Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is shown in the share class currency.</p>	<p>Benchmark</p> <p>MSCI Europe Net Return Index</p> <p>The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund's holdings may deviate significantly from the benchmark's constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria and Sustainability Criteria.</p> <p>The benchmark is shown in the share class currency.</p>
<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and income from a portfolio that invests in a range of European companies, but who appreciate that this is not guaranteed and that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors seeking to gain a combination of capital growth and income from a portfolio that invests in a range of European companies, and who want a fund that applies ESG Factors when investing.</p> <p>There is no guarantee that the Fund will achieve its objective. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>

- **M&G (Lux) Positive Impact Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period; and • to invest in companies that have a positive societal impact through addressing the world’s major social and/or environmental challenges. 	<p>Investment objective (unchanged)</p> <p>The Fund has two aims:</p> <ul style="list-style-type: none"> • Financial objective: to provide a higher total return (the combination of capital growth and income) than that of the global equity market over any five-year period; and • Impact objective: to invest in companies that have a positive societal impact through addressing the world’s major social and/or environmental challenges.
<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>Assessment and measurement of the ability to deliver a positive social and/or environmental impact and generate financial returns will be conducted at a company level using M&G’s impact assessment methodology. This focuses on three criteria:</p> <ul style="list-style-type: none"> • Investment Credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns; • Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and • Impact: the scale of the net positive societal impact and the company’s progress towards addressing specified social and/or environmental challenges. <p>Certain investments which are considered to conflict with the Fund’s aim to invest in companies with a positive societal impact are excluded from the investment universe. The following are excluded:</p> <ul style="list-style-type: none"> • Companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and • Companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, oil sands, nuclear power or coal-fired power, or the provision of gambling services. <p>The Investment Manager has discretion to invest in companies with limited exposure to fossil fuels but which are driving or significantly participating in the transition to a more sustainable economy.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>Derivatives may be used for efficient portfolio management and hedging.</p>	<p>Investment policy</p> <p>The Fund invests at least 80% of its Net Asset Value in the equity securities of companies across any sector and market capitalisation that are domiciled in any country, including emerging markets. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.</p> <p>The Fund invests in securities that meet the ESG Criteria and Impact Criteria.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, the environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and Impact Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria and Impact Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.</p> <p>All equity securities and equity related instruments are subject to assessment and measurement of the ability to deliver a positive social and/or environmental impact and generate financial returns, which is conducted at a company level using M&G’s impact assessment methodology. This impact assessment methodology includes a scoring process which focuses on three criteria:</p> <ul style="list-style-type: none"> • Investment Credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns; • Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate actions and strategy; and • Impact: the scale of the net positive societal impact and the company’s progress towards addressing specified social and/or environmental challenges. <p style="text-align: right;">(continued)</p>

	<p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may also invest in other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).</p> <p>Derivatives may be used for efficient portfolio management and hedging.</p>
<p>Investment approach</p> <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that make a positive social and/or environmental impact alongside a financial return, using a disciplined stock selection process. Sustainability and impact considerations are fundamental in determining the Fund’s investment universe and assessing business models.</p> <p>The Fund embraces the United Nations Sustainable Development Goals framework and invests in companies focused on areas including climate action, pollution reduction, circular economy, health and wellbeing, education and innovation, and working conditions.</p> <p>The Fund invests in three categories of positive impact companies:</p> <ul style="list-style-type: none"> • "Pioneers", whose products or services have a transformational effect on society or the environment; • "Enablers", which provide the tools for others to deliver positive social or environmental impact; and • "Leaders", which spearhead the development of sustainability in their industries. <p>Investing in these categories provides diversification across industries and maturity of business models.</p> <p>Dialogue with the companies in which the Fund invests is fundamental to the investment approach. The objective is to support and influence their contribution to the world’s major social and environmental challenges.</p> <p>Further information about the Investment Manager’s ESG criteria applied to the Fund is available on the following website:</p> <p>https://www.mandg.lu/investment-professionals/-/media/Literature/Europe/International%20English/MandG-Positive-Impact-ESG-Policy-Process.pdf</p>	<p>Investment strategy</p> <ul style="list-style-type: none"> - Investment approach <p>The Fund is a concentrated portfolio of global stocks, investing over the long term in companies that make a positive social and/or environmental impact alongside a financial return, using a disciplined stock selection process.</p> <p>Sustainability and impact investing considerations are fundamental in determining the Fund’s investment universe and assessing business models.</p> <p>In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:</p> <ol style="list-style-type: none"> 1. The exclusions listed in the Investment Policy are screened out. 2. The Investment Manager then identifies the companies that are considered suitable for further analysis. As part of the M&G’s impact assessment methodology, the Investment Manager analyses and scores these companies to assess their suitability for the Fund. The impact assessment methodology including the scoring process applied by the Investment Manager is detailed in the ESG Criteria and Impact Criteria document. The remaining companies form a watchlist of positive impact companies that can be purchased. 3. From this narrowed investment universe, the Investment Manager performs fundamental analysis to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund’s financial objective. <p>The Investment Manager selects the most suitable assets from the watchlist to build a high-conviction portfolio diversified across impact areas.</p> <p>The Fund embraces the United Nations Sustainable Development Goals framework. It invests in companies focused on impact areas which relate to sustainable investment that contributes to an environmental objective (such as climate action, broader environmental solutions and circular economy) and/or to a social objective (such as better health, better work and education and social inclusion). The Fund’s investments do not significantly harm any of those objectives. The Fund invests in three categories of positive impact companies.</p> <ul style="list-style-type: none"> • "Pioneers", whose products or services have a transformational effect on society or the environment; • "Enablers", which provide the tools for others to deliver positive social or environmental impact; and • "Leaders", which spearhead the development of sustainability within their industries. <p>Investing in these categories provides diversification across industries and maturity of business models.</p> <p style="text-align: right;">(continued)</p>

	<p>Dialogue with the companies in which the Fund invests is fundamental to the investment approach. The objective is to support and influence their contribution to the world’s major social and environmental challenges.</p> <ul style="list-style-type: none"> - Responsible investment approach • The Fund is categorised as Planet+ / Impact. • The ESG Criteria and Impact Criteria are anticipated to reduce the Fund's investment universe by at least 20%. • All securities held in the Fund are subject to the ESG Criteria and Impact Criteria. This is achieved through the use of M&G’s proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Impact Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. <p>The ESG categorisation of the Fund is explained in Appendix 1 “ESG Integration and Approaches to Responsible Investment” of this Prospectus. Investors should refer to that section for further details.</p>
<p>ESG information N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria and Impact Criteria: in the document titled “M&G (Lux) Positive Impact Fund – ESG Criteria and Impact Criteria” which includes the Fund’s exclusions approach. • Annual Impact Report providing an assessment of the non-financial objective of the Fund. • Any other periodic reports against the non-financial objective.
<p>Benchmark MSCI ACWI Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the scope of the Fund’s investment policy. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is shown in the share class currency.</p> <p>An Annual Impact Report is published to provide an assessment of the non-financial objective of the Fund. It is available on the following website: www.mandg.lu/private-investors/-/media/Literature/Europe/International%20English/Brochures/MandG-Lux-Positive-Impact-Fund-Annual-Impact-Report.pdf</p>	<p>Benchmark MSCI ACWI Net Return Index</p> <p>The benchmark is a comparator against which the Fund’s performance can be measured. The index has been chosen as the Fund’s benchmark as it best reflects the scope of the Fund’s financial objective. The benchmark is used solely to measure the Fund’s performance and does not constrain the Fund's portfolio construction.</p> <p>The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The Fund’s holdings may deviate significantly from the benchmark’s constituents.</p> <p>The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria and Impact Criteria.</p> <p>The benchmark is shown in the share class currency.</p>

Profile of typical investor

The Fund is suitable for retail and Institutional Investors seeking a combination of capital growth and income by investing in a portfolio of shares of companies from anywhere in the world that aim to have a positive societal impact.

Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.

This Fund may be suitable for investors who have an investment time horizon of at least five years.

Profile of typical investor

The Fund is suitable for retail and Institutional Investors seeking a combination of capital growth and income by investing in a portfolio of shares of companies from anywhere in the world that aim to have a positive societal impact.

There is no guarantee that the Fund will achieve its objectives. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.

This Fund may be suitable for investors who have an investment time horizon of at least five years.

• **M&G (Lux) Sustainable Allocation Fund**

Previous Prospectus wording	New Prospectus wording
<p>Investment objective</p> <p>The Fund aims to provide a total return (the combination of capital growth and income) of 4 to 8% per annum over any five-year period. The Fund aims to provide this return while considering environmental, social and governance (ESG) factors.</p>	<p>Investment objective</p> <p>The Fund aims to provide a total return (the combination of capital growth and income) of 4 to 8% per annum over any five-year period while applying ESG Criteria and/or Impact Criteria..</p>
<p>Investment policy</p> <p>The Fund invests in a diversified range of asset classes, such as fixed income, equities, cash, and near cash. These investments may be from anywhere in the world, including emerging markets, and denominated in any currency. The Fund has a flexible asset allocation and normally invests within the following net allocation ranges: 20-80% in fixed income securities, 20-60% in equities and 0-20% in other assets.</p> <p>The Fund invests in assets that meet the Investment Manager’s ESG criteria or that have a positive societal impact, through addressing the world’s major social and environmental challenges. Between 10% and 30% of the portfolio is invested in positive impact assets. All selected securities meet the Investment Manager’s assessment of ESG or impact criteria through the use of third party ESG information and/or proprietary analysis.</p> <p>In addition, the Fund aims to exclude securities issued by, but not limited to:</p> <ul style="list-style-type: none"> • companies that are assessed to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; and • companies involved in the production of tobacco, alcohol, adult entertainment, controversial weapons, thermal coal, or the provision of gambling services. <p>The Fund may invest directly via securities or indirectly via other collective investment schemes (including funds managed by M&G) and derivatives, which are not subject to the same ESG restrictions as securities held directly. The Investment Manager will assess the suitability of such instruments relative to the Fund’s investment objective. If a derivative does not satisfy the ESG requirements, the Fund may only invest via the instrument to take advantage of short-term market movements.</p> <p>The Fund normally seeks to hold more than 70% of its Net Asset Value in Euro denominated assets or in other currencies hedged back to Euro.</p> <p>The Fund may invest up to 40% of its Net Asset Value in sub-investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.</p> <p>The Fund may invest up to 10% of its Net Asset Value in asset-backed securities and up to 5% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.</p> <p style="text-align: right;">(continued)</p>	<p>Investment policy – effective until 29 April 2021</p> <p>The Fund invests in a diversified range of asset classes, such as fixed income, equities, cash, and near cash. These investments may be from anywhere in the world, including emerging markets, and denominated in any currency. The Fund has a flexible asset allocation and normally invests within the following net allocation ranges: 20-80% in fixed income securities, 20-60% in equities and 0-20% in other assets.</p> <p>The Fund invests in assets that meet the ESG criteria and/or Impact Criteria. Between 10% and 30% of the portfolio is invested in positive impact assets.</p> <p>The following types of exclusions apply to the Fund’s direct investments:</p> <ul style="list-style-type: none"> • Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption. • Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund’s sector-based and/or values-based criteria. • Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and/or Impact Criteria. <p>References to “assessed” above mean assessment in accordance with the ESG Criteria and Impact Criteria document as disclosed in the ESG Information section below.</p> <p>Further information on the exclusions applicable to the Fund can be found in this document. The Fund may also invest indirectly via other collective investment schemes (including funds managed by M&G) and derivatives, which are not subject to the same ESG Criteria and/or Impact Criteria as securities held directly. The Investment Manager will assess the suitability of such instruments relative to the Fund’s investment objective. If a derivative does not satisfy the ESG Criteria and/or Impact Criteria, the Fund may only invest via the instrument to take advantage of short-term market movements and to hedge currency exposures.</p> <p>The Fund normally seeks to hold more than 70% of its Net Asset Value in Euro denominated assets or in other currencies hedged back to Euro.</p> <p>The Fund may invest up to 40% of its Net Asset Value in sub-investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.</p> <p style="text-align: right;">(continued)</p>

<p>The Fund may use derivatives to meet its investment objective, for hedging and efficient portfolio management. The Fund may take synthetic short positions in markets, currencies, securities, indices and other groups of securities. These instruments may include, but are not limited to, spot and forward contracts, exchange traded futures, swaps, credit default swaps, options and total return swaps.</p>	<p>The Fund may invest up to 10% of its Net Asset Value in asset-backed securities and up to 5% of its Net Asset Value in contingent convertible debt securities.</p> <p>The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.</p> <p>The Fund may use derivatives to meet its investment objective, for hedging and efficient portfolio management. The Fund may take synthetic short positions in markets, currencies, securities, indices and other groups of securities. These instruments may include, but are not limited to, spot and forward contracts, exchange traded futures, swaps, credit default swaps, options and total return swaps.</p>
<p>Investment approach</p> <p>The Fund's approach to sustainable investment is through flexible asset allocation, whilst investing in securities issued by companies or governments that uphold high standards of environmental, social and governance behaviour. In addition, the Fund maintains a core holding of assets that have a positive societal impact through addressing the world's major social and environmental challenges.</p> <p>The Fund allocates capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events, to identify investment opportunities. In particular, the Investment Manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.</p> <p>The Fund seeks to manage risk by investing globally in multiple asset classes, and across different sectors, currencies and countries. The Fund's annualised volatility is expected to be between 4% and 7%, over any five-year period.</p> <p>Further information about the Investment Manager's ESG criteria applied to the Fund can be found on the M&G website under the Fund Literature section.</p>	<p>Investment strategy</p> <p>- Investment approach</p> <p>The Fund's approach to sustainable investment is through flexible asset allocation, whilst investing in securities issued by companies or governments that uphold high standards of environmental, social and governance behaviour. In addition, the Fund maintains a core holding of assets that have a positive societal impact through addressing the world's major social and environmental challenges.</p> <p>The Fund allocates capital between different types of assets in response to changes in economic conditions and asset values. This approach combines in-depth research to work out the value of assets over the medium to long term, with analysis of market reactions to events, to identify investment opportunities. In particular, the Investment Manager seeks to respond when asset prices move away from a reasonable sense of 'fair' long-term value due to market reactions to events.</p> <p>The Fund seeks to manage risk by investing globally in multiple asset classes, and across different sectors, currencies and countries. The Fund's annualised volatility is expected to be between 4% and 7%, over any five-year period.</p> <p>In order to identify securities for purchase, the Investment Manager initially reduces the potential investment universe as follows:</p> <ol style="list-style-type: none"> 1. The exclusions listed in the Investment Policy are screened out. 2. From this narrowed investment universe, the Investment Manager identifies securities that are considered suitable for further analysis: <ol style="list-style-type: none"> a. Under the ESG Criteria of the portfolio, the Investment Manager assesses and scores the ESG credentials of the remaining securities on the basis of external ESG ratings and the Investment Manager's assessment. Lower scoring securities which are considered as ESG laggards are excluded, resulting in the portfolio being tilted towards investments with better ESG characteristics. Further information about the assessment and scoring process can be found in the ESG Criteria and Impact Criteria document. <p style="text-align: right;">(continued)</p>

	<p>b. Under the Impact Criteria of the portfolio, the Investment Manager identifies the securities that are considered suitable for further analysis. As part of the M&G’s impact assessment methodology, the Investment Manager analyses and scores these securities to assess their suitability for the Fund. The remaining securities form a watchlist of positive impact investments that can be purchased.</p> <p>Further information about the assessment and scoring process can be found in the ESG Criteria and Impact Criteria document.</p> <p>3. From the narrowed investment universe, the Investment Manager allocates capital between different types of assets in accordance with the process explained above. Within each asset class the Investment Manager then performs fundamental analysis to consider the valuation of these investments and the appropriate time to purchase in consideration of the Fund’s financial objective.</p> <ul style="list-style-type: none"> - Responsible investment approach • The Fund is categorised as Planet+ / Sustainable and promotes ESG characteristics. • Within this category, a combination of a Positive ESG Tilt approach for the ESG component of the portfolio and an Impact approach for the Impact component of the portfolio is applied. • The ESG Criteria and/or Impact Criteria are anticipated to reduce the Fund’s investment universe by at least 20%. • All securities held in the Fund are subject to the ESG Criteria and/or Impact Criteria. This is achieved through the use of M&G’s proprietary analysis and/or third party ESG information. As explained in the ESG Criteria and Impact Criteria document, it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. <p>The ESG categorisation of the Fund is explained in Appendix 1 “ESG Integration and Approaches to Responsible Investment” of this Prospectus. Investors should refer to that section for further details.</p>
<p>ESG information N/A</p>	<p>ESG information</p> <p>Additional information is available to investors on the Fund page of the M&G website:</p> <ul style="list-style-type: none"> • ESG Criteria and Impact Criteria: in the document titled “M&G (Lux) Sustainable Allocation Fund - ESG Criteria and Impact Criteria” which includes the Fund’s exclusions approach. • Periodic reporting against the Fund’s non-financial characteristics.
<p>Benchmark The Fund is actively managed and it has no benchmark. Investors can assess the performance of the Fund by its objective to provide a total return of 4-8% per annum over any three-year period.</p>	<p>Benchmark (unchanged) The Fund is actively managed and it has no benchmark. Investors can assess the performance of the Fund by its objective to provide a total return of 4-8% per annum over any three-year period.</p>

<p>Profile of typical investor</p> <p>Typical investors may be retail, professional or Institutional Investors who are looking for total return (the combination of income and capital growth) but can bear the economic risk of the loss of their investment in the Fund.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>	<p>Profile of typical investor</p> <p>The Fund is suitable for retail and Institutional Investors who are looking for total return (the combination of income and capital growth) and who want a fund that invests in assets from anywhere in the world, applying ESG Factors when investing and /or investing in assets that aim to have a positive societal impact.</p> <p>There is no guarantee that the Fund will achieve its objective. Suitable investors should appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.</p> <p>In each case it is expected that all investors will understand and appreciate the risks associated with investing in Shares of the Fund.</p> <p>This Fund may be suitable for investors who have an investment time horizon of at least five years.</p>
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- **M&G (Lux) Sustainable Allocation Fund**

Investment policy effective from 30 April 2021

The Fund invests in a diversified range of asset classes, such as fixed income, equities, cash and near cash. These investments may be from anywhere in the world, including emerging markets, and denominated in any currency. The Fund has a flexible asset allocation and normally invests within the following net allocation ranges: 20-80% in fixed income securities, 20-60% in equities and 0-20% in other assets.

The Fund invests in assets that meet the ESG Criteria and/or Impact Criteria.

The following types of exclusions apply to the Fund's direct investments:

- Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption.
- Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund's sector-based and/or values-based criteria.
- Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and/or Impact Criteria.

References to "assessed" above mean assessment in accordance with the ESG Criteria and Impact Criteria document as disclosed in the ESG Information section below. Further information on the exclusions applicable to the Fund can be found in this document.

Typically, the Fund holds 20%-50% of its Net Asset Value in positive impact assets. Positive impact assets are assets that have a positive societal impact through addressing the world's major social and environmental challenges. It always holds at least 20% of its Net Asset Value in positive impact assets and there is no cap on the level of positive impact exposure.

The Fund may also invest indirectly via other collective investment schemes (including funds managed by M&G) and derivatives, which are not subject to the same ESG Criteria and/or Impact Criteria as securities held directly. The Investment Manager will assess the suitability of such instruments relative to the Fund's investment objective. If a derivative does not satisfy the ESG Criteria and/or Impact Criteria, the Fund may only invest via the instrument to take advantage of short-term market movements and to hedge currency exposures.

The Fund normally seeks to hold more than 70% of its Net Asset Value in Euro denominated assets or in other currencies hedged back to Euro.

The Fund may invest up to 40% of its Net Asset Value in sub-investment grade and unrated debt securities. There are no credit quality restrictions with respect to the debt securities in which the Fund may invest.

The Fund may invest up to 10% of its Net Asset Value in asset-backed securities and up to 5% of its Net Asset Value in contingent convertible debt securities.

The Fund may invest in China A-Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.

The Fund may use derivatives to meet its investment objective, for hedging and efficient portfolio management. The Fund may take synthetic short positions in markets, currencies, securities, indices and other groups of securities. These instruments may include, but are not limited to, spot and forward contracts, exchange traded futures, swaps, credit default swaps, options and total return swaps.