

Issued by M&G Securities Limited 28 September 2018



# Prospectus

## M&G Investment Funds (1)

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This document constitutes the Prospectus for M&G INVESTMENT FUNDS (1) (the 'Company') which has been prepared in accordance with the Open-Ended Investment Companies Regulations 2001 and the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of its handbook of Rules and Guidance.

The Prospectus is dated and is valid as at 28 September 2018.

Copies of this Prospectus have been sent to the Financial Conduct Authority and NatWest Trustee and Depositary Services Limited as Depositary.

The Prospectus is based on information, law and practice at the date hereof but where it refers to any statutory provision or regulation this includes any modification or re-enactment that has been made. The Company is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published Prospectus.

M&G Securities Limited, the Authorised Corporate Director of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Regulations to be included in it. M&G Securities Limited accepts responsibility accordingly. No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

**Warning: the contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this offer. If you are in any doubt about the contents of this document you should obtain independent professional advice.** In particular, no interest in the Company will be issued to any person other than the person to whom this document is addressed. In addition, (a) no offer or invitation to subscribe for Shares in the Company may be made to the public in Hong Kong; and (b) this document has not been approved by the Securities and Futures Commission in Hong Kong or any other regulatory authority in Hong Kong and accordingly interests in the Company may not be offered or sold in Hong Kong by means of this document, other than in circumstances which do not constitute an offer to the public for the purposes of the Hong Kong Companies Ordinance and the Hong Kong Securities and Futures Ordinance, as amended from time to time.

Shares in the Company are not listed on any investment exchange.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus has been approved for the purpose of section 21(1) of the Financial Services and Markets Act 2000 by M&G Securities Limited.

The Depositary is not a person responsible for the information contained in this Prospectus and accordingly does not accept any responsibility therefore under the Regulations or otherwise.

If you are in any doubt about the contents of this Prospectus you should consult your professional adviser.

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# Definitions

## M&G Investment Funds (1)

**Accumulation Share:** a share in the Company in respect of which income allocated thereto is credited periodically to capital pursuant to the Regulations;

**ACD:** M&G Securities Limited, the Authorised Corporate Director of the Company;

**ACD Agreement:** The agreement dated 12 October 2001 entered into between the Company and the ACD authorising the ACD to manage the affairs of the Company;

**Approved Bank in relation to a bank account opened by the Company:**

- (a) if the account is opened at a branch in the United Kingdom;
  - (i) the Bank of England; or
  - (ii) the central bank of a member state of the OECD; or
  - (iii) a bank or a building society; or
  - (iv) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or
- (b) if the account is opened elsewhere:
  - (i) a bank in (a); or
  - (ii) a credit institution established in an EEA State other than in the United Kingdom and duly authorised by the relevant Home State Regulator; or
  - (iii) a bank which is regulated in the Isle of Man or the Channel Islands; or
- (c) a bank supervised by the South African Reserve Bank;
- (d) any other bank that:
  - (i) is subject to regulation by a national banking regulator;
  - (ii) is required to provide audited accounts;
  - (iii) has minimum net assets of £5 million (or its equivalent in any other currency at the relevant time) and has a surplus revenue over expenditure for the last two financial years; and
  - (iv) has an annual audit report which is not materially qualified;

**Associate:** an associate in accordance with the FCA Handbook of Rules and Guidance;

**Base Currency:** the base currency of the Company is Sterling;

**Class or Classes:** in relation to Shares, means (according to the context) all of the Shares related to a single sub-fund or a particular class or classes of Share related to a single sub-fund;

**COLL:** refers to the appropriate chapter or rule in the Collective Investment Schemes Sourcebook issued by the FCA as amended or re-enacted from time to time;

**COLL Sourcebook:** The Collective Investment Schemes Sourcebook issued by the FCA as amended or re-enacted from time to time;

**Client Account:** A bank account held by us in accordance with the FCA Handbook of Rules and Guidance;

**Company:** M&G Investment Funds (1);

**Dealing Day:** Monday to Friday except for bank holidays in England and Wales and other days at the ACD's discretion;

**Depository:** NatWest Trustee and Depository Services Limited, the depository of the Company;

**Eligible Counterparty:** a client that is either a per se eligible counterparty or an elective eligible counterparty as defined by the FCA Handbook of Rules and Guidance;

**Eligible Institution:** one of certain eligible institutions being a BCD credit institution authorised by its home state regulator or an Investment Firm authorised by its home state regulator as defined in the glossary of definitions in the FCA Handbook;

**EU Benchmark Regulations:** refers to Regulation (EU) 2016/1011 issued by the European Parliament and the Council of 8 June 2016 on indices used as benchmarks in financial instrument and financial contracts or to measure the performance of investment funds;

**Fraction:** a smaller denomination share (on the basis that one thousand smaller denomination shares make one larger denomination share);

**FCA:** the Financial Conduct Authority;

**Group Plan:** one or more of The M&G ISA, The M&G Junior ISA and The M&G Savings Plan, and the M&G Securities International Nominee Service as the context may require;

**Income Share:** a share in the Company in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the Regulations;

**Instrument of Incorporation:** the instrument of incorporation of the Company as amended from time to time;

**Intermediate Unitholder:** a firm whose name is entered in the register of a sub-fund, or which holds Shares indirectly through a third party acting as a nominee, and which:

- (a) is not the beneficial owner of the relevant Share; and
- (b) does not manage investments on behalf of the relevant beneficial owner of the Share; or
- (c) does not act as a depository of a collective investment scheme or on behalf of such a depository in connection with its role in holding property subject to the scheme;

**Investment Manager:** M&G Investment Management Limited;

**M&G Securities International Nominee Service:** a group plan offered by the ACD designed to facilitate investment from outside the UK;

**M&G OEIC:** M&G Investment Funds (1), M&G Investment Funds (2), M&G Investment Funds (3), M&G Investment Funds (4), M&G Investment Funds (5), M&G Investment Funds (7), M&G Investment Funds (10), M&G Investment Funds (11), M&G Investment Funds (12), M&G Optimal Income Fund, M&G Global Dividend Fund, M&G Global Macro Bond Fund, M&G Strategic Corporate Bond Fund, M&G Property Portfolio or any other open-ended investment company with variable capital incorporated in England and Wales and managed by the ACD;

**mainly:** within an investment objective, an amount greater than 70%;

**Member State:** those countries which are members of the European Union or European Economic Area at any given time;

**Net Asset Value or NAV:** the value of the scheme property of the Company (or of any sub-fund as the context requires) less the liabilities of the Company (or of the sub-fund concerned) as calculated in accordance with the Company's Instrument of Incorporation;

**Ongoing Charges Figure:** a percentage figure representing the actual cost of running the fund, see also Section 28;

**The M&G ISA:** an Individual Savings Account the manager of which is the ACD;

**The M&G Junior ISA:** a Junior Individual Savings Account the manager of which is the ACD;

**The M&G Savings Plan:** a group plan offered by the ACD designed to facilitate regular savings by Direct Debit in the UK;

**predominantly:** within an investment objective, at least 80% of the portfolio;

**the 'Regulations':** the Open-Ended Investment Companies Regulations 2001 and the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of its Handbook of Rules and Guidance;

**scheme property:** the property of the Company to be given to the Depository for safekeeping, as required by the Regulations;

**Share or Shares:** a share or shares in the Company (including larger denomination Shares and fractions), or where appropriate a share or shares in any other M&G OEIC;

**Shareholder:** a holder of registered or bearer shares in the Company;

# Definitions

## M&G Investment Funds (1)

**Sub-fund:** a Sub-fund of the Company (bearing part of the scheme property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to that sub-fund;

**switch:** the exchange of Shares of one Class or sub-fund for Shares of another Class or sub-fund of any M&G OEIC;

**Valuation Currency:** the currency in which a Fund is valued, being the currency noted for each fund in Appendices 1 and 4;

**XD date:** the XD (or Ex-Dividend) date is the date on which the income is removed from the price of an Income Share pending the payment of a distribution.

### Operating Structure and Details

#### 1 The Company

1.1 M&G INVESTMENT FUNDS (1) is an open-ended investment company with variable capital, incorporated in England and Wales under registered number IC 110 and authorised by the Financial Conduct Authority with effect from 6 June 2001. The Company has been established for an unlimited duration.

The Company has been certified by the FCA as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on undertakings for collective investment in transferable securities ('UCITS').

1.2 The Head Office of the Company is at Laurence Pountney Hill, London EC4R 0HH and is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it. The Company does not have any interest in immovable property or any tangible moveable property.

1.3 The Base Currency of the Company is pounds sterling.

1.4 The maximum share capital of the Company is currently £250,000,000,000 and the minimum is £100. Shares in the Company have no par value and therefore the share capital of the Company at all times equals the Company's current Net Asset Value.

1.5 The Company has been established as an 'umbrella company' (as defined in the Regulations) and therefore different sub-funds may be formed by the ACD, subject to approval from the FCA. On the establishment of a new sub-fund or share class an updated prospectus will be prepared setting out the relevant information concerning the new sub-fund or share class.

#### 2 Company structure

2.1 The Company is an umbrella company. The assets of each sub-fund are treated as separate from those of every other sub-fund and will be invested in accordance with that sub-fund's own investment objective and policy.

2.2 At present, there are 11 sub-funds which are available for investment:

M&G Asian Fund,

M&G European Select Fund,

M&G European Index Tracker Fund,

M&G Pan European Select Smaller Companies Fund,

M&G Global Themes Fund,

M&G Global Select Fund,

M&G Japan Fund,

M&G Japan Smaller Companies Fund,

M&G North American Dividend Fund,

M&G North American Value Fund,

M&G Pan European Select Fund.

The sub-funds are all UCITS schemes within the meaning of the Regulations.

2.2.1 The investment objective, investment policy and other details of each sub-fund are set out in Appendices 1 and 4. The investment and borrowings powers under the Regulations applicable to each sub-fund are set out in Appendix 2 and the eligible securities and derivatives markets on which the sub-funds can invest are set out in Appendix 3.

2.3 When there is more than one sub-fund in issue, each Sub-fund has a specific portfolio of assets and investments to which each sub-fund's assets and liabilities are attributable and investors should view each sub-fund as a separate investment entity.

2.4 The sub-funds are segregated portfolios of assets and, accordingly, the assets of a Sub-fund belong exclusively to that sub-fund and shall not be made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company any other Sub-fund and shall not be available for any such purpose. (see also section 41 - Risk Factors).

2.5 Shareholders in the Company are not liable for the debts of the Company or any Sub-fund in the Company.

2.6 Subject to the above, each sub-fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that sub-fund and within the sub-funds charges will be allocated between share classes in accordance with the terms of issue of those share classes.

2.7 Any assets, liabilities, expenses, costs or charges not attributable to a particular sub-fund may be allocated by the ACD in a manner which is fair to Shareholders as a whole but they will normally be allocated to all sub-funds pro rata to the value of the net assets of the relevant sub-funds.

#### 3 Shares

##### 3.1 Classes of Share within the sub-funds

3.1.1 Currently, however, only net income and net accumulation Shares are available, and all references in this Prospectus to income and accumulation Shares are to net income and net accumulation Shares. The share classes in issue, or available for issue, for each Sub-fund are shown in Appendices 1 and 4.

The UK Government announced changes to tax law which removed the requirement to deduct tax on interest from UK Open-Ended Investment Companies with effect from April 2017. This change was enacted in the Finance Bill 2017. The Company has ceased to account for tax on net share classes for distributions after this date.

3.1.2 Any Sub-fund may make available such further classes of Share as the ACD may decide.

3.1.3 Holders of Income Shares are entitled to be paid the income attributed to such Shares on the relevant interim and annual allocation dates net of tax. The price of such Shares immediately after the end of the relevant accounting period reduces to reflect these allocations of income.

3.1.4 Holders of Accumulation Shares are not entitled to be paid the income attributable to such Shares but that income is automatically transferred to (and retained as part of) the capital assets of the relevant Sub-fund immediately after the relevant interim and / or annual accounting dates. The price of such Shares continues to reflect this retention of the income entitlement, which will be transferred after deduction of applicable tax.

3.1.5 Where a Sub-fund has different classes of Share available, each class may attract different charges and expenses and so monies may be deducted from classes in unequal proportions. For this and like reasons, the proportionate interests of the classes within a Sub-fund will vary from time to time.

3.1.6 Purchases or sales of shares in a currency which differs from that in which the underlying assets of a Sub-fund are traded may result in a gain or loss on currency exchange. The ACD will take reasonable steps to ensure that no material gain or loss on currency exchange is borne by any other class of shares other than that which has been bought or sold resulting in the gain or loss.

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- 3.1.7 When different Sub-funds are available, Shareholders will be entitled (subject to certain restrictions) to switch all or some of their Shares in a Sub-fund for Shares within a different Sub-fund or a different M&G OEIC. Details of this switching facility and the restrictions are set out in section 15 of this document.
- 3.1.8 Holders of Income Shares may convert all or some of their Shares to Accumulation Shares of the same Class in the same Sub-fund, and holders of Accumulation Shares may convert all or some of their Shares to Income Shares of the same Class in the same Sub-fund. Details of this conversion facility are set out in paragraph 15.2 of this document.
- 3.1.9 Shareholders should note that the ACD issues hedged Share Classes in the M&G North American Dividend Fund. Share class hedging activity does not form part of the investment strategy of the Sub-fund but is designed to reduce exchange rate fluctuations between the currency of the hedged Share Class and other material currencies within the Sub-fund's portfolio.
- Forward currency contracts, or other instruments that may achieve a similar result, will be used to hedge the total return (capital and revenue) of the material currencies to which the portfolio is exposed.
- The hedging position will be reviewed each day and adjusted when there is a material change, for example, to the dealing volume of Shares in hedged Share Classes and/or following asset allocation decisions by the Investment Manager.
- 3.1.10 Sterling Class R Shares are available only to Intermediate Unitholders or where the deal has been arranged by a financial adviser.
- 3.1.11 Not all share classes listed in Appendices 1 and 4 may currently be in issue. Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued by which Sub-funds.
- 3.1.12 Where a Sub-fund does not currently issue a share class listed for it in Appendices 1 and 4, the ACD may be willing to arrange for it to be issued once it has secured commitments from potential customers to purchase no less than a total of £20million-worth of that share class. The ACD will require at least eight-weeks' notice before being able to issue such a share class.

## 4 Management and Administration

### 4.1 Authorised Corporate Director

- 4.1.1 The Authorised Corporate Director of the Company is M&G Securities Limited which is a private company limited by shares incorporated in England and Wales under the Companies Acts 1862 to 1900 on 12 November 1906. The ultimate holding company of the ACD is Prudential plc, a company incorporated in England and Wales. The FCA reference number for M&G Securities Limited is 122057.

### 4.1.2 Registered Office and Head Office:

Laurence Pountney Hill, London EC4R 0HH.

#### Share Capital:

Authorised	£100,000
Issued and paid-up	£100,000

#### Directors:

Mr Gary Cotton,

Mr Philip Jelfs,

Mr Graham MacDowall,

Mr Laurence Mumford.

Mr Neil Donnelly

All of the directors have significant business activities which are not connected to those of the ACD but of other companies within the M&G Group.

- 4.1.3 The ACD is responsible for managing and administering the Company's affairs in compliance with the Regulations. Other companies for which the ACD has these responsibilities are M&G Investment Funds (2), M&G Investment Funds (3), M&G Investment Funds (4), M&G Investment Funds (5), M&G Investment Funds (7), M&G Investment Funds (10), M&G Investment Funds (11), M&G Investment Funds (12), M&G Optimal Income Fund, M&G Global Macro Bond Fund, M&G Global Dividend Fund, M&G Property Portfolio and M&G Strategic Corporate Bond Fund. The ACD is also the Manager of the M&G Feeder of Property Portfolio, The Equities Investment Fund for Charities, The Charibond Charities Fixed Interest Common Investment Fund, and The National Association of Almshouses Common Investment Fund.

## 4.2 Terms of Appointment

- 4.2.1 The ACD Agreement provides that the appointment of the ACD is for an initial period of three years and thereafter may be terminated upon twelve months written notice by either the ACD or the Company, although in certain circumstances the agreement may be terminated forthwith by notice in writing by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. The ACD cannot be replaced until the FCA has approved the appointment of another director in place of the retiring ACD. The ACD Agreement may be inspected at the offices of the ACD during normal business hours by any Shareholder or any Shareholder's duly authorised agent. Alternatively, a copy of the ACD Agreement may be sent to any Shareholder at his request within 10 days of the Company's receipt of such request.
- 4.2.2 The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the agreement. The ACD Agreement provides indemnities by the Company to the ACD other than for matters arising by reason of the ACD's negligence, default, breach of duty or breach of trust in the performance of the ACD's duties and obligations.
- 4.2.3 The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it makes on the issue or re-issue of Shares or cancellation of Shares which it has redeemed. The fees to which the ACD is entitled are set out in section 28.

## 5 The Depositary

NatWest Trustee and Depositary Services Limited is the Depositary of the Company.

The Depositary is incorporated in England as a private limited company. Its registered and head office is at 250 Bishopsgate, London, EC2M 4AA. The ultimate holding company of the Depositary is the Royal Bank of Scotland Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is the provision of trustee and depositary services.

### 5.1 Duties of the Depositary

The Depositary is responsible for the safekeeping of scheme property, monitoring the cash flows of the Sub-funds and must ensure that certain processes carried out by the ACD are performed in accordance with the applicable rules and scheme documents.



### 5.2 Conflicts of interest

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities, which may on occasion have potential conflicts of interest with the Fund or a particular Sub-fund and/or other funds managed by the ACD, or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

Nevertheless, as the Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

Up to date information regarding (i) the Depositary's name, (ii) the description of its duties and any conflicts of interest that may arise between the Company, the shareholders or the ACD and the depositary, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Shareholders on request.

### 5.3 Delegation of Safekeeping Functions

The Depositary is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme Property.

The Depositary has delegated safekeeping of the Scheme Property to State Street Bank and Trust Company ("the Custodian"). In turn, the Custodian has delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("Sub-Custodians"). A list of Sub-Custodians is given in Appendix 6. Investors should note that the list of Sub-Custodians is updated only at each Prospectus review.

### 5.4 Updated Information

Up-to-date information regarding the Depositary, its duties, its conflicts of interest, and the delegation of its safekeeping functions will be made available to shareholders on request.

### 5.5 Terms of Appointment

The Depositary was appointed under a Depositary Agreement dated 28 September 2018 between the ACD, the Company and the Depositary (the "Depositary Agreement").

5.5.1 Under the Depositary Agreement, the Depositary is free to render similar services to others, and the Depositary, the Company and the ACD are subject to a duty not to disclose confidential information.

5.5.2 The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall, to the extent of any conflict, be overridden by the FCA Rules.

5.5.3 Under the Depositary Agreement the Depositary will be liable to the Company for any loss of Financial Instruments held in Custody or for any liabilities incurred by the Company as a result of the Depositary's negligent or intentional failure to fulfil its obligations.

However, the Depositary Agreement excludes the Depositary from any liability except in the case of fraud, wilful default, negligence or failure to exercise due care and

diligence in the performance or non-performance of its obligations.

It also provides that the Company will indemnify the Depositary for any loss suffered in the performance or non-performance of its obligations except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence on its part.

5.5.4 The Depositary Agreement may be terminated on 90 days' notice by the Company or the Depositary or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new Depositary.

5.5.5 Details of the fees payable to the Depositary are given under 'The Depositary's Charges and Expenses' in paragraph 28.4.

5.5.6 The Depositary has appointed State Street Bank and Trust Company to assist the Depositary in performing its functions of custodian of the documents of title or documents evidencing title to the property of the Company. The relevant arrangements prohibit State Street Bank and Trust Company as such custodian from releasing the documents into the possession of a third party without the consent of the Depositary.

## 6 The Investment Manager

The ACD has appointed M&G Investment Management Limited ("MAGIM") to provide investment management and advisory services in respect of specific Sub-funds identified in Appendices 1 and 4. The Investment Manager has authority to make decisions on behalf of the Company and the ACD in respect of the acquisition and disposal of property at any time comprising the relevant Sub-fund and to advise in respect of the rights associated with the holding of such property. The Investment Manager has been appointed under an agreement between the ACD and the Investment Manager whereby the ACD accepts responsibility for all these services provided by the Investment Manager to the Company. The investment management agreement may be terminated on three months written notice by the Investment Manager or the ACD, or immediately if the ACD believes this is in the best interests of Shareholders.

The Investment Manager's principal activity is acting as an investment manager and it is an Associate of the ACD by being a subsidiary of Prudential plc.

## 7 Administrators, Registrar and Register of Shareholders

The ACD employs DST Financial Services Europe Limited ('DST') to provide certain administration services and act as registrar to the Company. The ACD also employs RBC Investor Services Bank S.A. to provide certain administration services for the M&G Securities International Nominee Service. The Register of Shareholders is maintained by DST at its office at DST House, St Nicholas Lane, Basildon, Essex SS15 5FS and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

## 8 The Auditor

The auditor of the Company is Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh EH3 8EX

## 9 Fund Accounting and Pricing

The ACD has appointed State Street Bank and Trust Company to undertake the fund accounting and pricing functions on behalf of the Company.



### 10 Operation of Hedged Share Class

The ACD has appointed State Street Bank Europe Limited to undertake currency share class hedging functions.

### 11 Collateral Management

Where the Company enters into OTC derivative transactions, JPMorgan Chase Bank, N.A. will provide administrative services in connection with the collateral management functions.

### 12 Buying Shares and Selling Shares – General Information

12.1 On any given Dealing Day the ACD will be willing to sell Shares of at least one Class in each sub-fund.

12.2 The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant. The ACD may also cancel any previously accepted request for the issue of Shares in the event of either non-payment of the amount due or undue delay in payment by the applicant, including the non-clearance of cheques or other documents presented in payment.

12.3 Any subscription monies remaining after a whole number of Shares has been issued may not be returned to the applicant. Instead, fractions may be issued in such circumstances. A fraction is equivalent to one thousandth of a larger denomination Share.

12.4 The minimum initial lump sum, subsequent lump sum and regular savings plan subscriptions for Shares and the minimum redemption and minimum holding amounts in the sub-funds are set out for each sub-fund in Appendices 1 & 4. At its discretion, the ACD may reject any request to buy Shares for less than the minimum initial lump sum or subsequent lump sum value (as appropriate). If at any time a Shareholder's holding is below the specified holding minimum, the ACD reserves the right to sell the Shares and send the proceeds to the Shareholder, or at its absolute discretion convert the shares to another Share Class within the same sub-fund.

12.5 Please note that:

- Sterling Class C Shares are available only to a company which is an associate company or to other collective investment schemes managed by the ACD or a company which the ACD deems to be an associate company.
- Sterling Class R and R-H Shares are available only to Intermediate Unitholders or where the deal has been arranged by a financial adviser. Where a purchase by a Shareholder of Sterling Class R and R-H Shares has been arranged by a financial adviser the ACD will maintain a record of that financial adviser linked to their account with the ACD. If a Shareholder of Class R and R-H Shares has their financial adviser removed from their account (whether at the request of the Shareholder or the financial adviser, or as a result of the financial adviser no longer being authorised by the FCA), the ACD reserves the right at its absolute discretion to switch those Shares to Class A Shares within the same sub-fund. Shareholders should note that the ongoing charge of Class A Shares is greater than that of Class R and R-H Shares.
- Shares denominated in currencies other than Sterling can normally only be bought and sold via the M&G Securities International Nominee Service (see 14.2).
- Sterling Class I and I-H Shares, and Class C and C-H Shares denominated in currencies other than sterling are available to:

- Eligible Counterparties, investing in their own account; and
- other collective investment schemes; and

- distributors, platforms and other forms of intermediary who operate fee based arrangements with their clients to provide advisory or discretionary portfolio management services and do not receive any fee rebates from the ACD; For these clients, minimum subscription limits will not be applied;

- companies which the ACD deems to be associate companies of such companies and with other investors in accordance with the terms of their agreements with the ACD.

Existing Shareholders in the Class C and I Shares, who held such Shares as at 17 November 2017 but no longer comply with the foregoing, can continue to hold such Shares and will be able to apply for additional subscriptions in Class C and I Shares which they hold. Changes to such arrangements will revert to the terms detailed above.

• Class J Shares are only available to the following investors:

- Eligible Counterparties, investing for their own account; and
- other collective investment schemes; and

- distributors and other forms of intermediary, who operate fee based arrangements with their clients to provide advisory or discretionary portfolio management services and do not receive any fee rebates from the ACD; and

- companies which the ACD deems to be associate companies and with other investors in accordance with the terms of their agreements with the ACD.

The ACD shall not pay any fee rebates on the Class J Shares to investors.

Such investors will only be able to invest in Class J Shares if they:

- have entered into a specific prior written agreement with the ACD (where the Class J Shares are held via an Intermediate Unitholder, the end investor must have entered such agreement with the ACD) and;

- have a significant investment in the Fund as determined on a case to case basis by the ACD.

Where an investor's holding in the Share class falls below a level determined solely by the ACD, the ACD reserves the right at its absolute discretion to:

- reject any new subscriptions in the Class J shares; and
- switch any remaining Class J Shares to Sterling Class I Shares, or Class C Shares denominated in currencies other than Sterling, as appropriate within the Fund.

• Class Z Shares are only available at the ACD's discretion. Class Z Shares would then be available for investors who are eligible for the Sterling Class I Shares and Class C Shares denominated in currencies other than sterling, but only once the investor has entered into a prior written fee paying arrangement with the ACD.

These shares are designed to accommodate an alternative charging structure under whereby the annual fee, normally charged to the class and then passed on in the share price, is instead administratively levied and collected directly from the investor.

• Class A2 Shares are only available to investors who have entered into a specific prior agreement with the ACD (where the Class A2 Shares are held via an Intermediate Unitholder, the end investor must have entered such agreement with the ACD).

12.6 Shareholders have the right to sell Shares back to the ACD or require that the ACD arranges for the Company to buy their Shares on any Dealing Day unless the value of Shares which a Shareholder wishes to sell will mean that the Shareholder will hold Shares with a value less than the required minimum holding for the sub-fund concerned, in which case the Shareholder may be required to sell the entire holding.

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12.7 Subject to the Shareholder maintaining the minimum holding stated in this Prospectus, part of a Shareholder's holding may be sold but the ACD reserves the right to refuse a request to sell Shares if the value of the class of Shares of any sub-fund to be sold is less than the sum specified in Appendices 1 & 4.

### 13 Buying and selling Shares on the main register of Shareholders

13.1 Shares can be bought as a lump sum investment only. Investors wishing to make regular monthly contributions should invest via The M&G Savings Plan (please see 14.1 below).

13.2 Postal applications may be made on application forms obtained from the ACD. The address for postal dealing is PO Box 9039, Chelmsford, CM99 2XG. Alternatively, lump sum investments can be made under approved circumstances by telephoning M&G's Customer Dealing Line 0800 328 3196. Telephone deals can be placed between 8.00 am and 6.00 pm UK time on each Dealing Day (except for Christmas Eve and New Year's Eve when the office closes early). Deals may also be placed by visiting the ACD's website: [www.mandg.co.uk](http://www.mandg.co.uk).

13.3 Payment for Shares purchased by post must accompany the application. Payment for Shares purchased by other means must be made by no later than three business days after the valuation point following receipt of the instructions to purchase.

13.4 Requests to sell Shares may be made by post, telephone, or any electronic or other means which the ACD may from time to time determine either directly or via an authorised intermediary; the ACD may require telephone or electronic requests to be confirmed in writing.

13.5 Requests to buy and sell Shares received before 12:00 noon (UK time) on a Dealing Day will be executed at the price valid on that Dealing Day. Requests received after 12:00 noon (UK time) will be executed using the price valid on the following Dealing Day.

13.6 Payment of proceeds will be made no more than three business days after the later of:

- receipt by the ACD, when required, of sufficient written instructions duly signed by all the relevant Shareholders and completed as to the appropriate number of Shares, together with any other appropriate evidence of title; and
- the valuation point following receipt by the ACD of the request to sell.

13.7 The requirement for sufficient written sale instructions is normally waived for Shareholders of Sterling Classes of Shares if all the following conditions are met:

- Dealing instructions are given by the registered holder in person;
- The holding is registered in a sole name;
- The sale proceeds are to be made payable to the registered holder at their registered address, which has not changed within the previous 30 days; and
- The total amount payable in respect of sales by that holder on one business day does not exceed £20,000.

13.8 A contract note giving details of the Shares purchased or sold, and the price used will be sent to the Shareholder (the first named, in the case of joint Shareholders) or to an authorised agent, not later than the end of the business day following the valuation point by reference to which the price is determined. Where appropriate, this may be accompanied by a notice of the applicant's right to cancel a purchase.

13.9 Currently share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Company's Register of Shareholders. Statements in respect of periodic allocations of income of each sub-fund will show the

number of Shares held by the recipient in the sub-fund in respect of which the allocation is made. Individual statements of a Shareholder's Shares will also be issued at any time on request by the registered holder (or, when Shares are jointly held, the first named holder).

### 14 Buying and selling Shares via a Group Plan

#### 14.1 The M&G Savings Plan, The M&G ISA, The M&G Junior ISA

14.1.1 The ACD offers The M&G Savings Plan, designed primarily to facilitate making regular savings by Direct Debit to a range of M&G Funds, and The M&G ISA and The M&G Junior ISA, designed to allow UK individuals to save tax efficiently in a range of M&G Funds. This is a summary of the buying and selling process of The M&G Savings Plan, The M&G ISA and The M&G Junior ISA. Please see our "Important Information for Investors" document for full information including the Terms & Conditions.

14.1.2 Shares can be bought as a lump sum investment or monthly by Direct Debit.

14.1.3 Postal applications may be made on application forms obtained from the ACD. The address for postal dealing is the same as in section 13.2. Alternatively, lump sum investments can be made under approved circumstances by telephoning M&G's Customer Dealing Line (please see section 13.2).

14.1.4 Payment for Shares purchased must accompany the application.

14.1.5 Requests to sell Shares may be sent in writing to the address in section 13.2. Alternatively, requests to sell Shares can be made under approved circumstances by telephoning M&G's Customer Dealing Line (please see section 13.2). Payment of proceeds will be made no more than three business days, after the valuation point following receipt by the ACD of the request to sell, provided we know the proceeds from all subscriptions, including Direct Debits, have cleared. We may delay paying the sale proceeds from any uncleared subscriptions, until we are satisfied that we have received all amounts which are due to us. Please note that Shares held in The M&G Junior ISA may not be sold without the permission of HMRC.

14.1.6 For lump sum investments, a contract note giving details of the Shares purchased and the price used will be issued by the end of the business day following the valuation point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel. A contract note giving details of the Shares sold and the price used will be issued by the end of the business day following the valuation point by reference to which the price is determined.

14.1.7 Requests to buy and sell Shares received before 12:00 noon (UK time) on a Dealing Day will be executed at the price valid on that Dealing Day. Requests received after 12:00 noon (UK time) will be executed using the price valid on the following Dealing Day.

14.1.8 Investors' share ownership will be evidenced by an entry in the name of M&G Nominees Limited, Laurence Pountney Hill, London EC4R 0HH on the Company's register of shareholders.

14.1.9 Statements will be issued twice each year. A summary of transactions will also be issued at any time on request by the holder.

#### 14.2 The M&G Securities International Nominees Service

14.2.1 The ACD offers a nominee service (the "M&G Securities International Nominee Service") primarily designed to facilitate the buying and selling of non-sterling denominated Share Classes (though in certain

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circumstances, the ACD may also permit sterling denominated Share Classes to be bought and sold via this service). This is a summary of the buying and selling process of the "M&G Securities International Nominee Service". Please see the Terms & Conditions of the "M&G Securities International Nominee Service" or your agreement with the ACD, and Appendix 4A (where appropriate) for more information.

- 14.2.2 Investors who wish to use the M&G Securities International Nominee Service for the first time should complete and sign the application form (available from the ACD) and mail it to "RBC I&TS, Re: M&G Securities Limited, 14 Porte de France, L-4360 Esch-sur-Alzette, Luxembourg". The completed forms must be received before 9.30am CET on a Dealing Day in order for the investment account to be opened and the buying order to be executed at the share price valid on that day.
- 14.2.3 Subsequent purchase instruction can be sent directly to the ACD by Fax (on +352 2460 9901) or Post (at the address in section 14.2.2). Any such purchase instruction should state the investor's account number (which is stated on each contract note), the name of the investor, the name of the sub-fund into which the amount is to be invested and the respective share class (ISIN Code). In the absence of such instructions, it will not be possible to process the purchase order and the money will be returned without interest and at the expense of the sender. The minimum amount for a subsequent investment per sub-fund and share class is disclosed in Appendix 4.
- 14.2.4 Subsequent purchase instructions, or requests to redeem Shares must be received before 11:30am CET on a Dealing Day in order for the buying or selling order to be executed at the share price valid on that Dealing Day. Requests received after 11:30am CET will be executed using the share price valid on the following Dealing Day.
- 14.2.5 Payment for Shares purchased must be made by no later than three business days after the valuation point at which the buying order is executed.
- 14.2.6 Redemption proceeds will be paid to investors by bank transfer by the settlement date quoted on the contract note. This should be no more than three business days after the valuation point at which the selling order is executed.
- 14.2.7 Investors should take into account that the processing time needed by banks involved in such transfer may differ and that it can therefore not be guaranteed that the redemption proceeds will be credited to the investor's bank account within the aforementioned.
- 14.2.8 Investors' share ownership will be evidenced by an entry in the name of M&G International Investments Nominees Limited, Laurence Pountney Hill, London EC4R 0HH on the Company's register of shareholders. This service is available to shareholders free of charge.

## 15 Switching and converting shares

### 15.1 Switching

- 15.1.1 Holders of Shares in a Sub-fund may at any time switch all or some of their Shares of one Sub-fund ('Original Shares') for Shares of another Sub-fund of this or another M&G OEIC ('New Shares') provided they are eligible to hold Shares in that class or Sub-fund and are in the same currency. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the valuation point applicable at the time the Original Shares are redeemed and the New Shares are issued.

- 15.1.2 Switching may be effected by giving instructions to the ACD and the Shareholder may be required to provide sufficient written instructions (which, if required - see paragraph 14.2.3 - in the case of joint Shareholders must be signed by all the joint holders).

- 15.1.3 The ACD may at its discretion charge a fee on the switching of Shares between Sub-funds (see paragraph 16.3). When a fee is charged it will not exceed the aggregate of the relevant redemption and initial charges in respect of the Original Shares and the New Shares.

- 15.1.4 If the switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Sub-fund concerned the ACD may, if it thinks fit, switch the whole of the applicant's holding of Original Shares to New Shares or refuse to effect any switch of the Original Shares. No switches will be effected during any period when the right of Shareholders to require the redemption of their Shares is suspended. The general provision on procedures relating to redemption will apply equally to a switch. Switch instructions must be received by the ACD before the valuation point on a Dealing Day in the Sub-fund or Sub-funds concerned to be dealt with at the prices at those valuation points on that Dealing Day, or at such other date as may be approved by the ACD. Switch requests received after a valuation point will be held over until the valuation point on the next Dealing Day in the relevant Sub-fund or Sub-funds.

- 15.1.5 The ACD may adjust the number of New Shares to be issued to reflect the imposition of any switching fee together with any other charges or levies in respect of the issue or sale of the New Shares or repurchase or cancellation of the Original Shares as may be permitted pursuant to the Regulations.

- 15.1.6 Please note that a switch of Shares in one sub-fund for Shares in any other Sub-fund is treated as a redemption and sale and will, for persons subject to UK taxation, be a realisation for the purposes of capital gains taxation.

- 15.1.7 A Shareholder who switches Shares in one Sub-fund for Shares in any other Sub-fund has no right by law to withdraw from or cancel the transaction.

- 15.1.8 Terms and current charges for the switching of Shares of any class of any Sub-fund, including for the Shares issued by another M&G OEIC or for the switching of units in a regulated scheme operated by the ACD, may be obtained from the ACD.

### 15.2 Conversions

- 15.2.1 Conversions of Income Shares to Accumulation Shares and of Accumulation Shares to Income Shares of the same Class in the same Sub-fund are undertaken by reference to the respective Share prices. For persons subject to UK taxation, this will not be a realisation for the purposes of capital gains taxation.

- 15.2.2 Where a Sub-fund issues multiple Share Classes, a Shareholder may only convert Shares of one Class for Shares in another Class where they are eligible to hold the other Class. Requests to convert between Share Classes must be submitted using the appropriate form available from the ACD. Such conversions will be executed within three Dealing Days of receipt of a valid instruction. Requests to convert between Share Classes are undertaken by reference to the respective Share prices of each Class. For interest distributing funds, whose prices are calculated net of income tax, these prices will be "net" prices. The impact of using net prices where the conversion of Shares is to a Class with a lower ACD's annual remuneration (see Appendix 1) is that the Sub-fund's total tax charge will increase and this increase will be

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borne by all Shareholders in the receiving Share Class. This approach has been agreed with the Depositary subject to the total impact to Shareholders being immaterial. Where the ACD determines at its absolute discretion that Share Class conversions are materially prejudicial to the Shareholders of a Share Class, instructions to convert between Share Classes will only be executed on the Dealing Day following the relevant Sub-fund's XD date. In such circumstances, instructions to convert between Share Classes must be received by the ACD no sooner than ten business days before the Sub-fund's relevant XD date.

- 15.2.3 Please note that conversions may be subject to a fee. The fee will not exceed an amount equal to the aggregate of the then prevailing redemption charge (if any) in respect of Original Shares and the initial charge (if any) in respect of New Shares and is payable to the ACD.
- 15.2.4 The ACD may in its absolute discretion convert Shares of one Share Class for Shares in another Class where it considers that such conversion will be in the best interests of Shareholders.

## 16 Dealing charges

### 16.1 Initial charge

The ACD may impose a charge on the buying of Shares. This charge is a percentage of the total amount of your investment and is deducted from your investment before Shares are purchased. The current level in relation to the Sub-funds are set out for each Sub-fund in Appendices 1 and 4 and are subject to discounts that the ACD at its absolute discretion may apply from time to time. Increases from the current rates of charge can only be made in accordance with the Regulations and after the ACD has revised the Prospectus to reflect the increased rate.

### 16.2 Redemption charge

- 16.2.1 The ACD may make a charge on the cancellation and redemption (including transfer) of Shares. At present, a redemption charge is levied only on the selling of Shares in a Sub-fund which does not have an initial charge on the buying of Shares. Other Shares issued and bought and persons known to the ACD to have made arrangements for the regular purchase of other Shares while this Prospectus is in force, will not be subject to any redemption charge introduced in the future in respect of those Shares. Currently, those Shares deemed to carry a redemption charge will carry a reducing redemption charge calculated in accordance with the table below. With accumulation shares, where any income is reinvested back into the share price, the valuation when calculating a redemption will include the capital gain associated with this reinvested income. In relation to the imposition of a redemption charge as set out above, where Shares of the class in question have been purchased at different times by a redeeming Shareholder, the Shares to be redeemed shall be deemed to be the Shares which incur the least cost to the Shareholder and thereafter the Shares purchased first in time by that Shareholder.

#### Redemption charge table

*The deduction from the mid value for redemption before the following anniversaries would be:*

1st year	4.5%
2nd year	4.0%
3rd year	3.0%
4th year	2.0%
5th year	1.0%
Thereafter	Nil

- 16.2.2 The ACD may not introduce or increase a redemption charge on Shares unless:

- 16.2.2.1 the ACD has complied with the Regulations in relation to that introduction or change; and
- 16.2.2.2 the ACD has revised the Prospectus to reflect the introduction or change and the date of its commencement and has made the revised Prospectus available.

- 16.2.3 In the event of a change to the rate or method of calculation of a redemption charge, details of the previous rate or method of calculation will be available from the ACD.

## 16.3 Switching fee

On the switch of Shares of a Sub-fund for Shares of another Sub-fund the Instrument of Incorporation authorises the Company to impose a switching fee. The fee will not exceed an amount equal to the aggregate of the then prevailing redemption charge (if any) in respect of Original Shares and the initial charge (if any) in respect of New Shares and is payable to the ACD.

## 17 Other dealing information

### 17.1 Dilution

- 17.1.1 The basis on which each Sub-fund's investments are valued for the purpose of calculating the price of Shares as stipulated in the Regulations and the Company's Instrument of Incorporation is summarised in section 23. However, the actual cost of purchasing or selling investments for a Sub-fund may deviate from the mid-market value used in calculating the price of Shares in the Sub-fund due to dealing costs such as broking charges, taxes, and any spread between the buying and selling prices of the underlying investments. These dealing costs can have an adverse effect on the value of the sub-fund, known as "dilution". The Regulations allow the cost of dilution to be met directly from the Sub-fund's assets or to be recovered from investors on the purchase or redemption of Shares in the Sub-fund inter alia by means of a dilution adjustment to the dealing price, and this is the policy which has been adopted by the ACD. The ACD shall comply with COLL 6.3.8R in its application of any such dilution adjustment. The ACD's policy is designed to minimise the impact of dilution on any Sub-fund.

- 17.1.2 The dilution adjustment for each Sub-fund will be calculated by reference to the estimated costs of dealing in the underlying investments of that Sub-fund, including any dealing spreads, commissions and transfer taxes. The need to apply a dilution adjustment will depend on the relative volume of sales (where they are issued) to redemptions (where they are cancelled) of shares. The ACD may apply a dilution adjustment on the issue and redemption of such shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might be adversely affected, and if in applying a dilution adjustment, so far as practicable, it is fair to all shareholders and potential shareholders. In specie transfers will not be taken into account when determining any dilution adjustment and any incoming portfolio will be valued on the same basis as the Sub-fund is priced (i.e. offer plus notional dealing charges, mid, or bid less notional dealing charges). When a dilution adjustment is not applied there may be a dilution of the assets of the Sub-fund which may constrain the future growth of that Sub-fund.

- 17.1.3 The ACD may alter its current dilution adjustment policy by giving shareholders at least 60 days' notice and amending the Prospectus before the change takes effect.



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17.1.4 Based on experience, the ACD would typically expect to make a dilution adjustment on most days, and this would ordinarily be of the magnitude shown in the table below. The ACD reserves the right to adjust the price by a lesser amount but will always make such an adjustment in a fair manner solely to reduce dilution and not for the purpose of creating a profit or avoiding a loss for the account of the ACD or an associate. It should be noted that as dilution is related to inflows and outflows of monies and the purchase and sale of investments it is not possible to predict accurately if and when dilution will occur and to what extent.

### Dilution adjustment table

Typical dilution adjustments for the following Sub-funds would be:

M&G Asian Fund	+ 0.23% /- 0.32%
M&G European Select Fund	+0.23% /-0.09%
M&G European Index Tracker Fund	+0.15% /-0.07%
M&G Pan European Select Companies Fund	+0.40% /-0.18%
M&G Global Themes Fund	+0.24% /-0.13%
M&G Global Select Fund	+0.14% /-0.07%
M&G Japan Fund	+0.13% /-0.13%
M&G Japan Smaller Companies Fund	+0.17% /-0.17%
M&G North American Dividend Fund	+0.06% /-0.06%
M&G North American Value Fund	+0.06% /-0.06%
M&G Pan European Select Fund	+0.24% /-0.08%

Positive dilution adjustment figures indicate a typical increase from mid price when the Sub-fund is experiencing net issues. Negative dilution adjustment figures indicate a typical decrease from mid price when the Sub-fund is experiencing net redemptions. Figures are based on the historic costs of dealing in the underlying investments of the relevant Sub-funds for the twelve months to 30 April 2018, including any spreads, commissions and transfer taxes.

### 17.2 In specie issues and redemptions

At its absolute discretion the ACD may agree or determine that instead of payment in cash to, or from, the Shareholder for Shares in a Sub-fund, the settlement of an issue or redemption transaction may be effected by the transfer of property into or out of the assets of the Company on such terms as the ACD shall decide in consultation with the Investment Manager and the Depositary. In the case of redemptions, the ACD shall give notice to the Shareholder prior to the redemption proceeds becoming payable of its intention to transfer property to the Shareholder and, if required by the Shareholder, may agree to transfer to the Shareholder the net proceeds of a sale of such property. The ACD may also offer to sell an investor's property and invest the proceeds by purchasing Shares in the Company, subject to detailed terms and conditions available upon request.

### 17.3 Client Account

Cash may be held for investors in a client account in certain circumstances. Interest is not paid on any such balances.

### 17.4 Excessive Trading

17.4.1 The ACD generally encourages Shareholders to invest in Sub-funds as part of a medium to long-term investment strategy and discourages excessive, short term, or abusive trading practices. Such activities may have a detrimental effect on the Sub-funds and other Shareholders. The ACD has several powers to help ensure that Shareholder interests are protected from such practices. These include:

17.4.1.1 Refusing an application for Shares (see paragraph 12.2);

17.4.1.2 Fair Value Pricing (see section 23); and,

17.4.1.3 Applying the Dilution Adjustment (see paragraph 17.1).

17.4.2 We monitor shareholder dealing activity and if we identify any behaviour that, in our view, constitutes inappropriate or excessive trading, we may take any of the following steps with the shareholders we believe are responsible:

17.4.2.1 Issue warnings which if ignored may lead to further applications for Shares being refused;

17.4.2.2 Restrict methods of dealing available to particular Shareholders; and/or,

17.4.2.3 Impose a switching fee (see paragraph 16.3).

17.4.3 We may take these steps at any time, without any obligation to provide prior notice and without any liability for any consequence that may arise.

17.4.4 Inappropriate or excessive trading can sometimes be difficult to detect particularly where transactions are placed via a nominee account. The ACD therefore cannot guarantee that its efforts will be successful in eliminating such activities and their detrimental effects.

## 18 Money laundering

As a result of legislation in force in the United Kingdom to prevent money laundering, firms conducting investment business are responsible for compliance with money laundering regulations. In certain circumstances investors may be asked to provide proof of identity when buying or selling shares. Normally this will not result in any delay in carrying out instructions but, should the ACD request additional information, this may mean that instructions will not be carried out until the information is received. In these circumstances, the ACD may refuse to issue or, redeem Shares, release the proceeds of redemption or carry out such instructions.

## 19 Restrictions on dealing

19.1 The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory. In this connection, the ACD may, inter alia, reject in its discretion any application for the issue, sale, redemption, cancellation or switch of Shares or require the mandatory redemption of Shares or transfer of Shares to a person qualified to hold them.

19.2 The distribution of this Prospectus and the offering of Shares in or to persons resident in or nationals of, or citizens of jurisdictions outside the UK or who are nominees of, custodians or trustees for, citizens or nationals of other countries may be affected by the laws of the relevant jurisdictions. Such Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Shareholder to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction, including obtaining any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities needing to be observed and payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any such Shareholder will be responsible for any such issue, transfer or other taxes or payments by whomsoever payable and the Company (and any person acting on behalf of it) shall be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes or duties as the Company (and any person acting on behalf of it) may be required to pay.

19.3 If it comes to the notice of the ACD that any Shares (“affected Shares”) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory, which would (or would if other Shares were acquired or held in like circumstances) result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulations of any country or territory) or by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case, the ACD may give notice to the Shareholder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing be given for the redemption of such Shares. If any Shareholder upon whom such a notice is served does not within thirty days after the date of such notice transfer their affected Shares to a person qualified to own them or submit a written request for their redemption to the ACD or establish to the satisfaction of the ACD (whose judgement is final and binding) that they or the beneficial owner are qualified and entitled to own the affected Shares, they shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the affected Shares pursuant to the Regulations.

19.4 A Shareholder who becomes aware that they are holding or own affected Shares shall forthwith, unless they have already received a notice as aforesaid, either transfer all their affected Shares to a person qualified to own them or submit a request in writing to the ACD for the redemption of all their affected Shares.

19.5 Where a request in writing is given or deemed to be given for the redemption of affected Shares, such redemption will be effected in the same manner as provided for under the Regulations, if effected at all.

### 20 Suspension of dealings in the Company

20.1 The ACD may with the agreement of the Depositary, or must if the Depositary so requires, temporarily suspend for a period the issue, sale, cancellation and redemption of Shares or any class of Shares in any or all of the Sub-funds if the ACD or the Depositary is of the opinion that due to exceptional circumstances there is good and sufficient reason to do so having regard to the interests of Shareholders.

20.2 Re-calculation of the Share price for the purpose of sales and purchases will commence at the time the suspension is ended or at the next relevant valuation point following the ending of the suspension.

20.3 The ACD will notify Shareholders as soon as is practicable after the commencement of the suspension, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way and giving Shareholders details of how to find further information about the suspensions.

20.4 Where such suspension takes place, the ACD will publish, on its website or other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration.

20.5 During the suspension none of the obligations in COLL 6.2 (Dealing) will apply but the ACD will comply with as much of COLL 6.3 (Valuation and Pricing) during the period of suspension as is practicable in light of the suspension.

20.6 Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders.

20.7 The exceptional circumstances in which the ACD or the Depositary may require the temporary suspension of the issue, sale, cancellation and redemption of Shares, or any class of Shares in any or all the Sub-funds includes, but is not limited to the following:

20.7.1 during any period when, in the opinion of the ACD or the Depositary, an accurate valuation of a Sub-fund cannot occur, including:

20.7.1.1 where one or more markets is unexpectedly closed or where dealing is suspended or restricted;

20.7.1.2 during a political, economic, military or other emergency; or

20.7.1.3 during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of the a Sub-fund or any Classes of Shares;

20.7.2 upon the decision of the ACD, having given sufficient notice to Shareholders, to wind up a Sub-fund (see section 32).

### 21 Governing law

All deals in Shares are governed by English law.

### 22 Valuation of the Company

22.1 The price of a Share of a particular class in the Company is calculated by reference to the Net Asset Value of the Sub-fund to which it relates and attributable to that class and adjusted for the effect of charges applicable to that class and further adjusted to reduce any dilutive effect of dealing in the Sub-fund (for more detail of dilution adjustment see 17.1). The Net Asset Value per Share of a Sub-fund is currently calculated at 12.00 noon UK time on each Dealing Day.

22.2 The ACD may at any time during a Dealing Day carry out an additional valuation if the ACD considers it desirable to do so.

### 23 Calculation of the Net Asset Value

23.1 The value of the scheme property of the Company or Sub-fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

23.2 All the scheme property (including receivables) of the Company (or the Sub-fund) is to be included, subject to the following provisions.

23.3 Property which is not cash (or other assets dealt with in paragraph 23.4) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

23.3.1 units or shares in a collective investment scheme:

23.3.1.1 if a single price for buying and selling units is quoted, at the most recent such price; or

23.3.1.2 if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the selling price excludes any exit or redemption charge attributable thereto; or

23.3.1.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;

23.3.2 any other transferable security:

23.3.2.1 if a single price for buying and selling the security is quoted, at that price; or

23.3.2.2 if separate buying and selling prices are quoted, the average of those two prices; or



- 23.3.2.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which in the opinion of the ACD is fair and reasonable;
- 23.3.3 property other than that described in 23.3.1 and 23.3.2 above:  
at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- 23.4 Cash and amounts held in current and deposit accounts and in other time-related deposits shall normally be valued at their nominal values.
- 23.5 Property which is a contingent liability transaction shall be treated as follows:
- 23.5.1 if a written option (and the premium for writing the option has become part of the scheme property), the amount of the net valuation of premium receivable shall be deducted. If the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and Depositary;
- 23.5.2 if an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
- 23.5.3 if any other form of contingent liability transaction, it will be included at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative, it shall be included at a method of valuation agreed between the ACD and Depositary.
- 23.6 In determining the value of the scheme property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 23.7 Subject to paragraphs 23.8 and 23.9 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset value amount.
- 23.8 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 23.7.
- 23.9 All agreements are to be included under paragraph 23.7 which are, or ought reasonably to have been, known to the person valuing the property.
- 23.10 An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, Value Added Tax, stamp duty and any foreign taxes and duties will be deducted.
- 23.11 An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.
- 23.12 The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.
- 23.13 An estimated amount for accrued claims for repayments of tax of whatever nature to the Company which may be recoverable will be added.
- 23.14 Any other credits or amounts due to be paid into the scheme property will be added.
- 23.15 A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.
- 23.16 The amount of any adjustment deemed necessary by the ACD to ensure that the Net Asset Value is based on the most recent information and is fair to all Shareholders will be added or deducted as appropriate.
- 23.17 Currencies or values in currencies other than a Sub-fund's Valuation Currency shall be converted at the relevant valuation point at a prevailing rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders. The Valuation Currency of each Sub-fund is noted in Appendices 1 and 4.
- ## 24 Price per Share in each Sub-fund and each class
- The price per Share at which Shares are bought by investors is the sum of the Net Asset Value of a Share adjusted to reduce any dilutive effect of dealing in the Sub-fund (for more detail of dilution adjustment see 17.1) before any initial charge. The price per Share at which Shares are sold by investors is the Net Asset Value per Share adjusted to reduce any dilutive effect of dealing in the Sub-fund (for more detail of dilution adjustment see 17.1) before any applicable redemption charge.
- ## 25 Pricing basis
- There shall be a single price for a Share in any Class. The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation point after the purchase or sale is agreed.
- ## 26 Publication of prices
- The most recent prices of Sterling Share Classes appear daily on our web-site at [www.mandg.com](http://www.mandg.com) or can be obtained from our Customer Services Department free on 0800 390390.
- ## 27 Risk factors
- Potential investors should consider the risk factors referenced in Section 41 before investing in the Company.
- ## 28 Charges and Expenses
- ### Introduction
- This section details the payments that may be made out of the Company and its Sub-funds to the parties operating the Company and its Sub-funds, to meet the costs of administration of the Company and its Sub-funds and in respect of the investment and safekeeping of their scheme property.
- Each Class of shares in a Sub-fund has an Ongoing Charges Figure and this is shown in the relevant Key Investor Information Document. The Ongoing Charges Figure is intended to assist Shareholders to ascertain and understand the impact of charges on their investment each year and to compare the level of those charges with the level of charges in other funds.
- The Ongoing Charges Figure excludes portfolio transaction costs and any initial charge or redemption charge but will capture the effect of the various charges and expenses referred to in this section. In common with other types of investors in financial markets, the Sub-funds incur costs when buying and selling underlying investments in pursuit of their investment objective. These portfolio transaction costs include dealing spread, broker commissions, transfer taxes and stamp duty incurred by the Sub-fund on transactions. The annual and half-yearly reports of each Sub-fund provide further information on portfolio transaction costs incurred in the relevant reporting period.
- VAT may be payable on the charges or expenses mentioned in this section.
- ### 28.1 The ACD's Annual Management Charge
- 28.1.1 The ACD is permitted to take a charge from each Share Class of each Sub-fund as payment for carrying out its duties and responsibilities. This is known as the ACD's "Annual Management Charge" (sometimes abbreviated to "AMC").
- 28.1.2 The Annual Management Charge is based on a percentage of the Net Asset Value of each Share Class in each Sub-fund. The annual rate of this charge is set out for each Sub-fund in Appendices 1 and 4.

- 28.1.3 Each day the ACD charges one-365th of the Annual Management Charge (or one-366th if it is a leap year). If the day is not a Dealing Day, the ACD will take the charge into account on the next Dealing Day. The ACD calculates this charge using the Net Asset Value of each Share Class on the previous Dealing Day.
- 28.1.4 Though the Annual Management Charge is calculated and taken into account daily in each Share Class's price, it is actually paid to the ACD every fortnight.
- 28.1.5 Where a Sub-fund invests in the units or shares of another fund managed by the ACD, or by an associate of the ACD, the ACD will reduce its Annual Management Charge by the amount of any equivalent charge that has been taken on the underlying funds. Underlying funds will also waive any initial or redemption charges which might otherwise apply. That way, the ACD ensures that Shareholders are not charged twice.

### 28.2 The ACD's Administration Charge

- 28.2.1 The ACD is permitted to take a charge from each Share Class of each Sub-fund as payment for administrative services to the Company. This is called the Administration Charge. This covers costs such as the maintenance of the Company's register, the internal administrative costs involved in buying and selling shares in each Sub-fund, the payment of each Sub-fund's distributions, and the payment of the fees of regulators in the UK or in other countries where Sub-funds are registered for sale.
- 28.2.2 The Administration Charge is based on a percentage of the Net Asset Value of each Share Class in each Sub-fund. The annual rate of this charge is set out in Appendices 1 and 4 (plus any value added tax if applicable).
- 28.2.3 The Administration Charge is calculated and taken into account daily and is paid fortnightly to the ACD on the same basis as described at 28.1.3 and 28.1.4 for the Annual Management Charge.
- 28.2.4 If the cost of providing administrative services to the Company is more than the Administration Charge taken in any period, the ACD will make up the difference. If the cost of providing administrative services to the Company is less than the Administration Charge taken in any period, the ACD will keep the difference.

### 28.3 The ACD's Share Class Hedging Charge

- 28.3.1 The ACD is permitted to take a charge from each hedged Share Class of each Sub-fund as payment for hedging services to that Share Class. This is called the Share Class Hedging Charge.
- 28.3.2 The Share Class Hedging Charge is a variable rate detailed in Appendices 1 and 4 (plus any value added tax if applicable). The exact rate will vary within the specified range depending upon the total amount of share class hedging activities across the entire range of OEICs managed by the ACD.
- 28.3.3 The Share Class Hedging Charge is calculated and taken into account daily and paid fortnightly on the same basis as described at 28.1.3 and 28.1.4 for the Annual Management Charge.
- 28.3.4 If the cost of providing share class hedging services to the Sub-fund is more than the Share Class Hedging Charge taken in any period, the ACD will make up the difference. If the cost of providing share class hedging services to the Company is less than the Share Class Hedging Charge taken in any period, the ACD will keep the difference.

### 28.4 The Depositary's Charges and Expenses

- 28.4.1 The Depositary takes a charge from each Sub-fund as payment for its duties as depositary. This is called the Depositary's Charge.

- 28.4.2 The Depositary's Charge is based on the Net Asset Value of each Sub-fund, and is charged on a sliding scale as follows:

Percentage charge per annum	Net Asset value
0.0075%	First £150 million
0.005%	Next £500 million
0.0025%	Balance above £650 million

This sliding scale is agreed between the ACD and the Depositary and may be changed. If it does change, the ACD will inform you in accordance with the COLL Sourcebook.

- 28.4.3 The Depositary's Charge is calculated and taken into account daily and is paid fortnightly to the Depositary on the same basis as described at 28.1.3 and 28.1.4 for the Annual Management Charge.

- 28.4.4 The Depositary may also make a charge for its services in relation to:

- distributions,
- the provision of banking services,
- holding money on deposit,
- lending money,
- engaging in stock lending, derivative or unsecured loan transactions,
- the purchase or sale, or dealing in the purchase or sale of, Scheme Property,

provided that the services are in accordance with the provisions of the COLL Sourcebook.

- 28.4.5 The Depositary is also entitled to payment and reimbursement of all costs, liabilities and expenses it incurs in the performance of, or in arranging the performance of, functions conferred on it by the Instrument of Incorporation, the COLL Sourcebook or by general law. Such expenses generally include, but are not restricted to:

- delivery of stock to the Depositary or custodian;
- collection and distribution of income and capital;
- submission of tax returns and handling tax claims;
- such other duties as the Depositary is permitted or required by law to perform.

### 28.5 Custody Charges

- 28.5.1 The Depositary is entitled to be paid a Custody Charge in relation to the safe-keeping of each Sub-fund's assets ("custody").

- 28.5.2 The Custody Charge is variable depending upon the specific custody arrangements for each type of asset. The Custody Charge is a range between 0.00005% and 0.40% of the asset values per annum.

- 28.5.3 The Custody Charge is taken into account daily in each Share Class's price. It is calculated each month using the value of each asset type and it is paid to State Street Bank and Trust Company when it invoices the Sub-fund.

### 28.6 Custody Transaction Charges

- 28.6.1 The Depositary is also entitled to be paid Custody Transaction Charges in relation to processing transactions in each Sub-fund's assets.
- 28.6.2 The Custody Transaction Charges vary depending on the country and the type of transaction involved. The Custody Transaction Charges generally range between £4 and £75 per transaction.
- 28.6.3 The Custody Transaction Charges are taken into account daily in each Share Class's price. It is calculated each month based on the number of transactions that have taken place and it is paid to State Street Bank and Trust Company when it invoices the Sub-fund.

### 28.7 Other Expenses

- 28.7.1 The costs and expenses relating to the authorisation and incorporation and establishment of the Company, the offer of Shares, the preparation and printing of this Prospectus and the fees of the professional advisers to the Company in connection with the offer will be borne by the ACD.
- 28.7.2 The direct establishment costs of each Sub-fund formed, or Share Class created, may be borne by the relevant Sub-fund or by the ACD at its discretion.
- 28.7.3 The Company may pay out of the property of the Company charges and expenses incurred by the Company unless they are covered by the Administration Charge. These include the following expenses:
- 28.7.3.1 reimbursement of all out of pocket expenses incurred by the ACD in the performance of its duties;
- 28.7.3.2 broker's commission, taxes and duties (including stamp duty and / or Stamp Duty Reserve Tax), and other disbursements which are necessarily incurred in effecting transactions for the Sub-funds;
- 28.7.3.3 any fees or expenses of any legal or other professional adviser of the Company;
- 28.7.3.4 any costs incurred in respect of meetings of Shareholders convened on a requisition by Shareholders but not those convened by the ACD or an associate of the ACD;
- 28.7.3.5 liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Sub-funds in consideration for the issue of Shares as more fully detailed in the Regulations;
- 28.7.3.6 interest on borrowing and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing on behalf of the Sub-funds;
- 28.7.3.7 taxation and duties payable in respect of the property of the Sub-funds or of the issue or redemption of Shares;
- 28.7.3.8 the audit fees of the Auditor (including value added tax) and any expenses of the Auditor;
- 28.7.3.9 if the Shares are listed on any stock exchange, the fees connected with the listing (though none of the Shares are currently listed); and,
- 28.7.3.10 any value added or similar tax relating to any charge or expense set out herein.

- 28.7.4 The cost and expenses relating to research services provided to the Investment Manager by brokers, or independent research providers, will be borne by the Investment Manager.

### 28.8 Allocation of charges

For each Share Class, the charges and expenses described in this section are either charged to capital or income (or both) depending upon whether they are Income Shares or Accumulation Shares. For Income Shares, most charges and expenses are charged to capital. This treatment of the charges and expenses may increase the amount of income available for distribution to Shareholders in the Share Class concerned, but it may constrain capital growth. For Accumulation Shares, most charges and expenses are paid from income. If there is insufficient income to fully pay those charges and expenses, the residual amount is taken from capital.

Appendices 1 and 4 detail which charges and expenses are taken from income or capital for each Sub-fund's Income and Accumulation Shares.

## 29 Shareholder meetings and voting rights

### 29.1 Annual General Meeting

In accordance with the provisions of the Open-Ended Investment Companies (Amendment) Regulations 2005, the Company has elected not to hold annual general meetings.

### 29.2 Requisitions of Meetings

- 29.2.1 The ACD or the Depositary may requisition a general meeting at any time.
- 29.2.2 Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders who, at the date of the requisition, are registered as holding not less than one-tenth in value of all Shares then in issue and the requisition must be deposited at the head office of the Company. The ACD must convene a general meeting no later than eight weeks after receipt of such requisition.

### 29.3 Notice and Quorum

Shareholders will receive at least 14 days notice of a Shareholders' meeting (other than an adjourned meeting where a shorter period of notice can apply) and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy. If after a reasonable time from the time set for an adjourned meeting there are not two Shareholders present in person or by proxy, the quorum for the adjourned meeting shall be one person entitled to be counted in a quorum and present at the meeting. Notices of meetings and adjourned meetings will normally be given in writing to the Shareholder's registered address (or, at the discretion of the ACD, such other address which we may hold for the purposes of correspondence).

### 29.4 Voting Rights

- 29.4.1 At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.
- 29.4.2 On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attaching to all the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue as at a cut-off date selected by the ACD which is a reasonable time before the notice of meeting is deemed to have been served.

- 29.4.3 A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 29.4.4 Except where the Regulations or the Instrument of Incorporation of the Company require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour of the resolution to be passed) any resolution required will be passed by a simple majority of the votes validly cast for and against the resolution.
- 29.4.5 The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the Regulations) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.
- 29.4.6 'Shareholders' in this context of this paragraph 33 means Shareholders on a cut-off date selected by the ACD which is a reasonable time before the notice of the relevant meeting was deemed to have been served but excludes holders of Shares who are known to the ACD not to be Shareholders at the time of the meeting.
- 29.4.7 Investors using the M&G Securities International Nominees Service whose holdings are registered through M&G International Investments Nominees Limited will be offered a vote at general meetings when the ACD considers, at its sole discretion, that the investors' interests may be materially affected.

### 29.5 Class and Sub-fund Meetings

The above provisions, unless the context otherwise requires, apply to class meetings and meetings of Sub-funds as they apply to general meetings of Shareholders.

### 29.6 Variation of Class Rights

The rights attached to a class or Sub-fund may not be varied unless done so pursuant to the notification requirements of COLL 4.3R.

## 30 Taxation

### 30.1 General

The information given under this heading does not constitute legal or tax advice and prospective investors should consult their own professional advisers about the implications of subscribing for, buying, holding, exchanging, selling or otherwise disposing of Shares under the laws of the jurisdiction in which they may be subject to tax.

The statements below are only intended as a general summary of UK tax law and practice as at the date of this Prospectus and may change in the future. Any investor who is in any doubt as to their UK tax position in relation to a Sub-fund should consult a UK professional adviser.

### 30.2 Taxation of the Company

#### 30.2.1 Income

Each Sub-fund will be liable to corporation tax on its taxable income less expenses at the basic rate of income tax (currently 20%).

#### 30.2.2 Capital gains

Capital gains accruing to a Sub-fund will be exempt from UK tax.

### 30.3 Distributions

Sub-funds with over 60% invested in qualifying assets (broadly interest paying) throughout the relevant distribution period can elect to make interest distributions. There are currently no funds which

will be managed in such a way that they will be able to make interest distributions. In all other cases they will pay dividend distributions.

### 30.4 Taxation of the investor

The following notes are primarily for the information of UK Shareholders. Information relating generally to non-resident Shareholders is also given.

#### 30.4.1 Dividend distributions - UK resident individual shareholders

From April 2018 UK dividends are subject to a £2,000 tax-free dividend allowance for all taxpayers. For dividend income in excess of this allowance, the applicable tax rate for basic rate taxpayers is 7.5%, the rate for higher rate taxpayers is 32.5% and the rate for additional taxpayers is 38.1%.

#### 30.4.2 Dividend distributions – UK resident corporate shareholders

For UK resident corporate Shareholders, any dividend distributions will be divided into that part which relates to UK dividend income of the Fund, and that part which relates to other income. The part relating to dividend income is generally not taxable. The other part is taxable as if it were annual payments and is subject to corporation tax. The taxable part of the distribution is deemed to have been paid net of an income tax deduction of 20% which can be offset against a shareholder's liability to corporation tax and may be recoverable. The tax voucher will show the ratio between the part relating to UK dividend income (franked investment income) and the part relating to taxable annual payments and also shows, in terms of a pence per share rate, the tax which can be recovered. The maximum amount of income tax if any, that may be reclaimed from HM Revenue & Customs is the corporate Shareholder's proportion of the Shareholder's non-foreign deemed income tax.

#### 30.4.3 Interest distributions

Currently, interest distributions are paid without deduction of income tax.

From April 2016 a Personal Savings Allowance has been introduced where the first £1,000 of savings income is exempt from tax for basic rate taxpayers and the first £500 for higher rate taxpayers. However, UK funds needed to continue withholding tax on interest distributions until April 2017. After this date, interest distributions could be paid without a deduction of income tax at the rate of 20%.

UK resident corporate Shareholders should note that where they hold a fund which makes interest distributions, gains will be subject to loan relationship rules.

#### 30.4.4 Capital gains

Profits arising on disposal of shares are subject to capital gains tax. However, if the total gains from all sources realised by an individual shareholder in a tax year, after deducting allowable losses, are less than the annual exemption, there is no capital gains tax to apply. Where income equalisation applies (see below), the buying price of Shares includes accrued income which is repaid to the investor with the first allocation of income following the purchase. This repayment is deemed to be a repayment of capital and is therefore made without deduction of tax but must be deducted from the investor's base cost of the relevant Shares for purposes of calculating any liability to capital gains tax.

Where over 60% of the investments of a Sub-fund are interest-bearing or economically equivalent investments, the Shareholdings of UK resident corporate Shareholders will generally be subject to the loan relationships regime.



### 31 Income equalisation

- 31.1 Income equalisation will be applied to Shares issued by the Company.
- 31.2 Part of the purchase price of a Share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a Shareholder with the first allocation of income in respect of a Share issued during the relevant accounting period.
- 31.3 The amount of income equalisation is calculated by dividing the aggregate of the amounts of income included in the price of Shares issued to or bought by Shareholders in an annual or interim accounting period (see paragraph 33.2.1) by the number of those Shares and applying the resultant average to each of the Shares in question.

### 32 Winding up of the Company or a Sub-fund of the Company

- 32.1 The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the Regulations. A Sub-fund may only be wound up under the Regulations.
- 32.2 Where the Company or a Sub-fund is to be wound up under the Regulations, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so.
- 32.3 The Company or a Sub-fund may be wound up under the Regulations if:
- 32.3.1 an extraordinary resolution to that effect is passed by Shareholders; or
- 32.3.2 the period (if any) fixed for the duration of the Company or a particular Sub-fund by the Instrument of Incorporation expires, or the event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company or a particular Sub-fund is to be wound up (for example, if the share capital of the Company is below its prescribed minimum or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is less than £10,000,000, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Sub-fund); or
- 32.3.3 on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company or the Sub-fund.
- 32.4 On the occurrence of any of the above:
- 32.4.1 Regulations 6.2, 6.3 and 5 relating to Dealing, Valuation and Pricing and Investment and Borrowing will cease to apply to the Company or the Sub-fund;
- 32.4.2 the Company will cease to issue and cancel Shares in the Company or the Sub-fund and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the Sub-fund;
- 32.4.3 no transfer of a Share shall be registered and no other change to the register shall be made without the sanction of the ACD;
- 32.4.4 where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;
- 32.4.5 the corporate status and powers of the Company and, subject to the provisions of paragraphs 32.4.1 and 32.4.2 above, the powers of the ACD shall remain until the Company is dissolved.

- 32.5 The ACD shall, as soon as practicable after the Company or the Sub-fund falls to be wound up, realise the assets and meet the liabilities of the Company or the Sub-fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depository to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the scheme property of the Company or the Sub-fund. When the ACD has caused all of the scheme property to be realised and all of the liabilities of the Company or the Sub-fund to be realised, the ACD shall arrange for the Depository also to make a final distribution to Shareholders as at (or prior to) the date on which the final account is sent to Shareholders of any balance remaining, if applicable, in proportion to their holdings in the Company or the Sub-fund.
- 32.6 On completion of a winding up of the Company, the Company will be dissolved and any money which is legitimately the property of the Company (including unclaimed distributions) and standing to the account of the Company, will be paid into court within one month of dissolution.
- 32.7 Following the completion of the winding up of the Company or the Sub-fund, the ACD shall provide written confirmation to the Registrar of Companies and shall notify the FCA that it has done so.
- 32.8 Following the completion of a winding up of either the Company or a Sub-fund, the ACD must prepare a final account showing how the winding up took place and how the scheme property was distributed. The auditor of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditor's report must be sent to the FCA, to each Shareholder and, in the case of the winding up of the Company, to the Registrar of Companies within two months of the termination of the winding up.
- 32.9 Any assets and liabilities, expenses, costs and charges not attributable to a particular Sub-fund may be allocated by the Manager in a manner which it believes is fair to the Shareholders generally. This will normally be pro-rata to the Net Asset Value of the relevant Sub-funds.
- 32.10 Shareholders in a particular sub-fund are not liable for the debts of the Company or any Sub-fund in the Company.

### 33 General Information

#### 33.1 Accounting Periods

The annual accounting period of the Company ends each year on 31 August (the accounting reference date). The half-yearly accounting period ends each year on the last day of February.

#### 33.2 Income Allocations

- 33.2.1 Allocations of income are made in respect of the income available for allocation in each annual accounting period and, for certain Sub-funds, each interim accounting period (see Appendices 1 and 4).
- 33.2.2 Distributions of income for each Sub-fund are paid on or before the annual income allocation dates as set out in Appendices 1 and 4.
- 33.2.3 If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Company.
- 33.2.4 The amount available for allocation in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant Sub-fund in respect of that period, and deducting the charges and expenses of the relevant Sub-fund paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the auditor as appropriate) in relation to taxation, income equalisation,

income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditor.

The amount initially deemed available in respect of any one class of Share may be reduced if the income attributed to another class of Share in the same Sub-fund is less than the charges applicable to that class of Share.

### 33.2.5 Income from debt securities

Income from debt securities is recognised on an effective yield basis. Effective yield is an income calculation that takes account of amortisation of any discount or premium on the purchase price of the debt security over the remaining life of the security.

33.2.6 Distributions made to the first named joint Shareholder are as effective a discharge to the Company and the ACD as if the first named Shareholder had been a sole Shareholder.

33.2.7 Income produced by the Sub-fund's investments accumulates during each accounting period. If, at the end of the accounting year, income exceeds expenses, the net income of the Sub-fund is available to be distributed to Shareholders. In order to conduct a controlled dividend flow to Shareholders, interim distributions will be, at the Investment Manager's discretion, up to a maximum of the distributable income available for the period. All remaining income is distributed in accordance with the Regulations.

33.2.8 Where a Sub-fund does not issue Accumulation Shares, a Shareholder may choose to have their income reinvested to purchase additional shares of that Sub-fund. Where the reinvestment of income has been permitted, the ACD waives any initial charge due on such re-investment. Re-investment of allocations of income is made fourteen days before the relevant income allocation date.

### 33.3 Annual Reports

33.3.1 Annual reports of the Company are published within four months of each annual accounting period and half-yearly reports are published within two months of each half-yearly accounting period and are available to Shareholders on request. Shareholders will receive copies of the annual and half-yearly short reports on publication.

33.3.2 The accounts of Sub-funds presented within annual and half-yearly reports will be shown in the currency in which that Sub-fund is valued. The Valuation Currency of each Sub-fund is listed in Appendices 1 and 4.

### 33.4 Documents of the Company

33.4.1 The following documents may be inspected free of charge between 9.00 am and 5.00 pm UK time every Dealing Day at the offices of the ACD at Laurence Pountney Hill, London EC4R 0HH:

33.4.1.1 the most recent annual and half-yearly reports of the Company;

33.4.1.2 the Instrument of Incorporation (and any amending instrument of incorporation);

33.4.1.3 Shareholders may obtain copies of the above documents as well as the Prospectus from the above addresses. The ACD may make a charge at its discretion for copies of certain documents, however the most recent annual and half-yearly reports of the Company and the Prospectus are available to any person free of charge.

### 33.5 Risk Management and Other Information

The following information is available from the ACD on request;

33.5.1 Information on the risk management methods used in relation to the Sub-funds, the quantitative limits which apply to that risk management and any developments in the risk and yields of the main categories of investment.

33.5.2 Execution Policy

The Investment Manager's execution policy sets out the basis upon which the ACD will effect transactions and place orders in relation to the Company whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the ACD on behalf of the Company.

33.5.3 Exercise of voting rights

A description of the Investment Manager's strategy for determining how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of each Sub-Fund. Details of action taken in respect of the exercise of voting rights are also available.

33.5.4 EU Benchmark Regulation

Regulation (EU) 2016/1011 (also known as the "EU Benchmark Regulation") requires the Management Company to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Management Company shall comply with this obligation. Further information on the plan is available on request.

The benchmark for the M&G European Index Tracker Fund is provided by FTSE International Limited which has been authorised as a benchmark administrator under article 34 of the EU Benchmark Regulation and included in the ESMA register of benchmark administrators.

### 33.5.5 Gifts and Hospitality

The ACD and the Investment Manager may provide or receive hospitality or small business gifts from intermediaries who sell their products, operators of other collective investment schemes in which they invest, or other counterparties with whom we deal. The hospitality is typically a meal or attendance at a social engagement where the opportunity exists for participants to discuss business issues such as market developments or the ACD's and the Investment Manager's products. The ACD and the Investment Manager may also provide assistance, such as providing a speaker, or paying towards materials used at a business training event or a conference organised by or for such firms. Such gifts and hospitality are in no way predicated on past, current, or future business activity. The ACD's and the Investment Manager's procedures place controls on such arrangements to ensure that there is no Shareholder disadvantage. Our normal limits per individual events/items are £200 for hospitality and £100 for gifts per individual concerned.

### 33.6 Notices

Notices to Shareholders will normally be given in writing to the Shareholder's registered address (or, at the discretion of the ACD, such other address which we may hold for the purposes of correspondence).



### 33.7 Management of collateral

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, each Sub-fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral management applied by the Sub-funds in such cases.

#### 33.7.1 Eligible collateral

Collateral received by the Sub-funds may be used to reduce their counterparty risk exposure if it complies with the criteria set out in regulation notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

In particular, collateral should comply with the following conditions:

- 33.7.1.1 Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- 33.7.1.2 It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- 33.7.1.3 It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- 33.7.1.4 It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Sub-funds' net asset value to any single issuer on an aggregate basis, taking into account all collateral received;
- 33.7.1.5 It should be capable of being fully enforced by the Sub-funds at any time without reference to or approval from the counterparty.  
  
Subject to the abovementioned conditions, collateral received by the Sub-funds may consist of:
  - 33.7.1.6 liquid assets such as cash and cash equivalents, including short-term bank certificates and Money Market Instruments;
  - 33.7.1.7 bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope ;
  - 33.7.1.8 shares or units issued by money market Collective investment Schemes calculating a daily NAV and being assigned a rating of AAA or its equivalent ;
  - 33.7.1.9 shares or units by UCITS investing mainly in bonds/shares mentioned in 33.7.1.10 and 33.7.1.11 below,
  - 33.7.1.10 bonds issued or guaranteed by first class issuers offering an adequate liquidity; and
  - 33.7.1.11 shares admitted to or dealt in on a regulated market of an EU Member State or on a

stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

A reinvestment of cash provided as collateral may only be effected where in compliance with the respective regulations.

#### 33.7.2 Level of collateral

Each Sub-fund will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

#### 33.7.3 OTC financial derivative transactions

The Investment Manager will generally require the counterparty to an OTC derivative to post collateral in favour of the Sub-fund representing, at any time during the lifetime of the agreement, up to 100% of the Sub-fund's exposure under the transaction.

#### 33.7.4 Haircut policy

Collateral acceptability and haircuts will depend on a number of factors including the asset pool available to the Sub-fund for posting as well as the asset types acceptable to the Sub-fund when receiving collateral, but will as a rule be of high quality, liquid and not display significant correlation with the counterparty under normal market conditions.

The taking of collateral is intended as a hedge against default risk, with haircuts seen as hedging the risk on that collateral. From this point of view, haircuts are an adjustment to the quoted market value of a collateral security to take account of the unexpected loss that may be faced due to the difficulty in realising that security in response to a default by the counterparty. By applying a haircut, the quoted market value of a collateral security is translated into a probable future liquidation or restoration value.

To this end therefore the haircuts that are applied are the result of a view of the credit and liquidity risk of the collateral and will become more "aggressive" depending on the asset type and maturity profile.

As at the date of this Prospectus, the Investment Manager typically accepts the following collateral types and applies the following haircuts in relation thereto:

Collateral type	Typical haircut
Cash	0%
Government Bonds	1% to 20%
Corporate Bonds	1% to 20%

The Investment Manager reserves the right to depart from the above haircut levels where it would be appropriate to do so, taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets). Furthermore, the Investment Manager reserves the right to accept collateral types other than those disclosed above. No haircut will generally be applied to cash collateral.

### 33.7.5 Reinvestment of collateral

Non-cash collateral received by the Fund on behalf of a Sub-fund cannot be sold, reinvested or pledged, except where and to the extent permissible under regulations.

Cash collateral received by the Sub-funds can only be:

- 33.7.5.1 placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the FCA as equivalent to those laid down in EU law;
- 33.7.5.2 invested in high-quality government bonds;
- 33.7.5.3 used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the relevant Sub-fund is able to recall at any time the full amount of cash on accrued basis; and/or
- 33.7.5.4 invested in short-term money market funds as defined in the ESMA Guidelines on a common definition of European Money Market Funds.

Any reinvestment of cash collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure, on an aggregate basis, of 20% of the Sub-fund's Net Asset Value to any single issuer. The Sub-fund may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Sub-fund to the counterparty at the conclusion of the transaction. The Sub-fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-fund.

### 34 Tax Reporting

- 34.1 As a result of UK legislation, the ACD may be required to obtain confirmation of certain information, such as where a Shareholder is resident for tax purposes, their tax identification number, and their place and date of birth, or their tax status classification if they are a corporate body. Under certain circumstances (including where a Shareholder does not supply the ACD with the information it requests), the ACD will be obliged to report a Shareholder's personal details as well as the details of their holding to HM Revenue & Customs. This information may then be passed to other tax authorities.

### 35 Complaints

If you wish to complain about any aspect of the service you have received or to request a copy of M&G's complaints handling procedures, please contact M&G Customer Relations, PO Box 9039, Chelmsford CM99 2XG. If your complaint is not dealt with to your satisfaction, you can then complain to: The Financial Ombudsman Service (FOS), Exchange Tower, London, E14 9SR.

### 36 Preferential Treatment

- 36.1 From time to time the ACD may afford preferential terms of investment (namely, by waiving the initial charge, redemption charge or investment minima for investment or by rebating a portion of the ACD's annual management charge previously incurred by the investor) to certain groups of investors. In assessing whether any of these terms are afforded to an investor, the ACD will ensure that any such concession is not inconsistent with its obligation to act in the overall best interests of the relevant Sub-fund and its investors. In particular, the ACD may typically exercise its discretion to waive the initial charge, or redemption charge, or investment minima for investment or to rebate a portion of the ACD's annual management charge previously incurred by investors in a Class where such investors invest sufficiently large amounts, either initially or are anticipated to do so over time, such as platform service providers and institutional investors including fund of fund investors.

Additionally, the ACD may grant similar preferential terms to the employees of companies within the Prudential Group of companies or their associates.

### 37 Marketing outside the UK

- 37.1 The Company's Shares are marketed outside the UK. Paying agents in countries other than the UK where Shares are registered for retail sale may charge investors for their services.
- 37.2 The Shares in the Sub-funds have not been and will not be registered under the United States Securities Act of 1933, as amended, or registered or qualified under the securities laws of any state of the United States and may not be offered, sold, transferred or delivered, directly or indirectly, to any investors within the United States or to, or for the account of, US Persons except in certain limited circumstances pursuant to a transaction exempt from such registration or qualification requirements. None of the Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Shares or the accuracy or adequacy of the prospectus. The Sub-funds will not be registered under the United States Investment Company Act of 1940, as amended.

### 38 Markets for the Sub-funds

Sub-funds are marketable to all retail investors.

### 39 Genuine diversity of ownership

- 39.1 Shares in the Company are and will continue to be widely available. The intended categories of investors are retail and institutional investors.
- 39.2 Shares in the Company are and will continue to be marketed and made available widely to reach the intended categories of investors and in a manner appropriate to attract those categories of investors.

### 40 Remuneration policy

The ACD applies a staff remuneration policy consistent with the principles outlined in the Undertakings for Collective Investment in Transferable Securities Directive (UCITS) (No. 2009/65/EC), as amended, the Alternative Investment Fund Managers Directive (AIFMD) (No. 2011/61/EU), as amended, and the FCA Handbook of Rules and Guidance. The remuneration policy is overseen by a remuneration committee and is designed to promote sound and effective risk management by, amongst other things:

- identifying staff with the ability to have a material impact on the risk profile of either the ACD or the Funds;
- ensuring that the remuneration of those staff is in line with the risk profiles of the ACD and of the Funds, and that any relevant conflicts of interest are appropriately managed at all times;
- setting out the link between pay and performance for all of the ACD's employees, including the terms of annual bonus and long-term incentive plans and individual remuneration packages for Directors and other senior employees.

Please visit the following website: <http://www.mandg.com/en/corporate/about-mg/our-people/> for up-to-date details of the remuneration policy, including, but not limited to:

- a description of how remuneration and benefits are calculated;
- the identities of persons responsible for awarding the remuneration; and
- the composition of the remuneration committee.

Alternatively, a paper copy can be obtained from our Customer Relations Department free of charge on 0800 390 390.

# Risk factors

## M&G Investment Funds (1)

### 41 Risk factors

		M&G North American Dividend Fund	M&G Asian Fund	M&G European Select Fund	M&G European Index Tracker Fund	M&G Pan European Select Smaller Companies Fund	M&G Global Themes Fund	M&G Global Select Fund	M&G Japan Fund	M&G Japan Smaller Companies Fund	M&G North American Value Fund	M&G Pan European Select Fund
<b>General risks</b>	<b>Risk warning</b>											
<b>Risk to Capital &amp; Income will vary</b>	The investments of the Sub-fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other stock market related assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a guide to future performance.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Charges to Capital</b>	The charges and expenses attributable to the Sub-Fund's Income Shares are taken from capital, in whole or in part, and as a result capital growth for that share class will be constrained.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Counterparty Risk</b>	Whilst the Investment Manager will place transactions, hold positions (including derivatives transactions) and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Sub-fund's capital at risk.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Liquidity Risk</b>	The Sub-fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Suspension of dealing in shares</b>	Investors are reminded that in exceptional circumstances their right to sell or redeem shares may be temporarily suspended.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Cancellation Risks</b>	When cancellation rights are applicable and are exercised, the full amount invested may not be returned if the price falls before we are informed of your intention to cancel.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Inflation</b>	A change in the rate of inflation will affect the real value of your investment.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Taxation</b>	<p>The current tax regime applicable to investors in collective investment schemes in their country of residence or domicile and the UK schemes themselves is not guaranteed and may be subject to change. Any changes may have a negative impact on returns received by investors.</p> <p>The M&amp;G Funds rely extensively on tax treaties to reduce domestic rates of withholding tax in countries where it invests. A risk exists that tax authorities in countries with which the United Kingdom has double tax treaties, may change their position on the application of the relevant tax treaty. As a consequence, higher tax may be suffered on investments, (e.g. as a result of the imposition of withholding tax in that foreign jurisdiction). Accordingly, any such withholding tax may impinge upon the returns to the Sub-fund and investors.</p> <p>In specific treaties which contain 'limitation of benefits' provisions (e.g. US), the tax treatment of the Sub-fund may be affected by the tax profiles of investors in the Fund as such treaties may require the majority of investors in the Fund to be from the same jurisdiction. Failing to meet the limitation of benefits provision may result in increased withholding tax being suffered by the Sub-fund.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Tax developments</b>	<p>The tax regulations which M&amp;G Sub-funds are subject to constantly change as a result of:</p> <p>(i) technical developments – changes in law regulations;</p> <p>(ii) interpretative developments – changes in the way tax authorities apply law and (iii) market practice – whilst tax law is in place, there may be difficulties applying the law in practice (e.g. due to operational constraints).</p> <p>Any changes to the tax regimes applicable to M&amp;G Funds and investors in their country of residence or domicile may impact negatively on the returns received by investors.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

# Risk factors

## M&G Investment Funds (1)

### 41 Risk factors (continued)

		M&G North American Dividend Fund	M&G Asian Fund	M&G European Select Fund	M&G European Index Tracker Fund	M&G Pan European Select Smaller Companies Fund	M&G Global Themes Fund	M&G Global Select Fund	M&G Japan Fund	M&G Japan Smaller Companies Fund	M&G North American Value Fund	M&G Pan European Select Fund
<b>General risks</b>	<b>Risk warning</b>											
<b>Cyber Event Risk</b>	Like other business enterprises, the use of the internet and other electronic media and technology exposes M&G Funds, its service providers, and their respective operations, to potential risks from cyber-security attacks or incidents (collectively, "cyber-events"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code, and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact a Sub-fund and its Shareholders. A cyber-event may cause a Sub-fund, or its service providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of a Sub-fund or allow Shareholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support a Sub-fund and its service providers. In addition, cyber-events affecting issuers in which a Sub-fund invests could cause the Sub-fund's investments to lose value.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
<b>Derivatives</b>	<b>Risk warning</b>											
<b>Derivatives EPM only</b>	The Sub-fund may enter into derivative transactions for the purposes of Efficient Portfolio Management ("EPM"), including hedging transactions and temporary short term tactical asset allocation, e.g. for the purposes of preserving the value of an asset or assets of the Sub-fund and liquidity management purposes (i.e. to enable the Sub-fund to be adequately invested). The Risk Management Process document sets out the approved derivative strategies.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives - Correlation (Basis Risk)</b>	Correlation risk is the risk of loss due to divergence between two rates or prices. This applies particularly where an underlying position is hedged through derivative contracts which are not the same as (but may be similar to) the underlying position.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives - Valuation</b>	Valuation risk is the risk of differing valuations of derivatives arising from different permitted valuation methods. Many derivatives, in particular non-exchange traded (OTC) derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals who are often also the counterparty to the transaction. As a result, the daily valuation may differ from the price that can actually be achieved when trading the position in the market.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives - Liquidity</b>	Liquidity risk exists when a particular instrument is difficult to purchase or sell. Derivative transactions that are particularly large, or traded off market (i.e. over the counter), may be less liquid and therefore not readily adjusted or closed out. Where it is possible to buy or sell, this may be at a price that differs from the price of the position as reflected in the valuation.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives - Counterparty</b>	Certain derivative types may require the establishment of a long term exposure to a single counterparty which increases the risk of counterparty default or insolvency. While these positions are collateralised, there is a residual risk between both the mark to market and the receipt of the corresponding collateral as well as between the final settlement of the contract and the return of any collateral amount. This risk is referred to as daylight risk. In certain circumstances, the physical collateral returned may differ from the original collateral posted. This may impact the future returns of the Sub-fund.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives - Delivery</b>	The Sub-fund's ability to settle derivative contracts on their maturity may be affected by the level of liquidity in the underlying asset. In such circumstances, there is a risk of loss to the Sub-fund.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives – Legal Risk</b>	Derivative transactions are typically undertaken under separate legal arrangements. In the case of OTC derivatives, a standard International Swaps and Derivatives Association ("ISDA") agreement is used to govern the trade between the Sub-fund and the counterparty. The agreement covers situations such as a default of either party and also the delivery and receipt of collateral.  As a result, there is a risk of loss to the Sub-Fund where liabilities in those agreements are challenged in a court of law.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Derivatives – Volatility</b>	It is not intended nor anticipated that the use of these derivative instruments will have a material impact on the risk profile or the volatility of the Sub-fund. Extreme market events, counterparty default or insolvency may, however, result in a loss to the Sub-fund.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

# Risk factors

## M&G Investment Funds (1)

### 41 Risk factors (continued)

		M&G North American Dividend Fund	M&G Asian Fund	M&G European Select Fund	M&G European Index Tracker Fund	M&G Pan European Select Smaller Companies Fund	M&G Global Themes Fund	M&G Global Select Fund	M&G Japan Fund	M&G Japan Smaller Companies Fund	M&G North American Value Fund	M&G Pan European Select Fund
<b>Fund Specific</b>	<b>Risk warning</b>											
<b>Currency &amp; Exchange Rate Risk</b>	Currency exchange rate fluctuations will impact the value of a Sub-Fund which holds currencies or assets denominated in currencies that differ from the valuation currency of the Sub-fund.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Currency risk on unhedged share classes</b>	Currency exchange rate fluctuations will impact the value of unhedged share classes where the currency of the share class differs from that of the valuation currency of the Sub-fund.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Emerging Markets</b>	<p>Securities markets in emerging market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in lack of liquidity.</p> <p>Accordingly, where a Sub-Fund invests substantially in securities listed or traded in such markets, its net asset value may be more volatile than a Fund that invests in the securities of companies in developed countries.</p> <p>Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Sub-Fund.</p> <p>Many emerging markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess.</p> <p>Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region.</p> <p>Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk.</p> <p>These factors may lead to temporary suspension of dealing units in the Sub-fund.</p>		✓		✓	✓	✓					
<b>Funds investing in a specific countries, regions, sectors and assets classes</b>	Sub-funds investing in specific countries, regions, sectors or asset classes may be more volatile and carry a higher risk to capital than funds investing in a broader investment universe. This is because the former are more vulnerable to market sentiment specific to the country region/sector/asset class in which they invest compared with the latter which may be invested across several regions, sectors and asset classes.	✓	✓	✓	✓				✓		✓	✓
<b>Funds investing in smaller companies and specific countries</b>	Sub-funds investing mainly in smaller companies and in one country may be more volatile and carry a higher risk to capital than funds investing in a broader investment universe. This is because the former are more vulnerable to market sentiment specific to the sector and country in which they invest compared with the latter which may be invested across several sectors and countries.								✓			
<b>Funds investing in smaller companies and specific regions</b>	Sub-funds investing mainly in smaller companies and in one region may be more volatile and carry a higher risk to capital than funds investing in a broader investment universe. This is because the former are more vulnerable to market sentiment specific to the sector and region in which they invest compared with the latter which may be invested across several sectors and regions.				✓							
<b>Concentrated Portfolios</b>	This Sub-fund holds a relatively small number of investments, and as a result, may be more volatile and can be influenced by a small number of large holdings.	✓		✓		✓		✓	✓	✓		✓
<b>Future launch of Hedge Share classes</b>	The ACD intends to issue hedged Share Classes with market conditions largely dictating the timing of the launch.								✓			
<b>Future launch of Hedge Share classes</b>	The ACD may issue hedged Share Classes with market conditions largely dictating the timing of the launch.	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
<b>Hedged Share classes - no segregation of liabilities between share classes in a fund</b>	Gains or losses arising from currency hedging transactions are borne by the Shareholders of the respective hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, the settlement of currency hedging transactions or the requirement for collateral (if such activity is collateralised) in relation to one Share Class could have an adverse impact on the net asset value of the other Share Classes in issue.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



# Risk factors

## M&G Investment Funds (1)

### 41 Risk factors (continued)

Fund Specific	Risk warning	M&G North American Dividend Fund	M&G Asian Fund	M&G European Select Fund	M&G European Index Tracker Fund	M&G Pan European Select Smaller Companies Fund	M&G Global Themes Fund	M&G Global Select Fund	M&G Japan Fund	M&G Japan Smaller Companies Fund	M&G North American Value Fund	M&G Pan European Select Fund
<b>Hedged share class implications for specific share class</b>	<p>The Investment Manager will undertake transactions specifically to reduce the exposure of holders of hedged Share Classes to movements in the material currencies within a fund's portfolio (look through) or to movements in the reference currency, base or valuation currency of the Sub-fund (replication), as appropriate. The hedging strategy employed will not completely eliminate the exposure of the hedged Share Classes to currency movements and no assurance can be given that the hedging objective will be achieved. Investors should be aware that the hedging strategy may substantially limit Shareholders of the relevant hedged Share Class from benefiting if the hedged Share Class currency falls against the reference currency. Notwithstanding the hedging of the Share Classes described above, Shareholders in those Share Classes may still be exposed to an element of currency exchange rate risk.</p> <p>During periods when interest rates across currency areas are very similar, the Interest Rate Differential ("IRD") is very small, the impact on hedged Share Class returns is low. However, in an environment where interest rates are significantly different between the Sub-fund's exposure currency and the hedged Share Class currency, the IRD will be higher and the performance difference will be greater.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Share class hedging methodology</b>	<p>The Investment Manager undertakes hedging transactions specifically to reduce the exposure of the holders of hedged share classes to movements in the material currencies within the Sub-fund's portfolio.</p> <p>Where a Sub-fund invests globally, proxy currencies may be used to hedge certain currency exposures where the cost of hedging the reference currency may not achieve the best outcome. Where a suitable proxy currency cannot be determined, the exposure may remain un-hedged. The aggregate value of any un-hedged exposures at a particular point in time could be material.</p>	✓										
<b>Eurozone</b>	<p>There is a risk that one or more countries will exit the Euro and re-establish their own currencies. In light of this uncertainty or in the event that this does occur, there is an increased risk of volatility in asset values, liquidity and default risk. In addition, there is a risk that disruption in Eurozone markets could give rise to difficulties in valuing the assets of the Sub-fund. In the event that it is not possible to carry out an accurate valuation of the Sub-fund, dealing may be temporarily suspended.</p>			✓	✓	✓	✓	✓				✓
<b>Exposure to Euro</b>	<p>The Sub-fund invests/or can invest in securities denominated in Euros. Economic uncertainties facing the Eurozone mean that there is an increased risk of volatility in asset values, liquidity and default risk. In addition, there is a risk that disruption in Eurozone markets could give rise to difficulties in valuing the assets of the Fund. In the event that it is not possible to carry out an accurate valuation of the Fund, dealing may be temporarily suspended.</p>		✓									
<b>Liabilities of the Fund</b>	<p>Shareholders are not liable for the debts of the Sub-fund. A Shareholder is not liable to make any further payment to the Sub-fund after he has paid in full for the purchase of Shares.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Protected Cell - Foreign Courts</b>	<p>Whilst the Instrument of Incorporation provides for segregated liability between the Sub-funds, the concept of segregated liability may not be recognised and given effect by a court in certain contexts including where relevant contractual documents involving the Sub-funds are not construed in a manner to provide segregated liability. Where claims are brought by local creditors in foreign courts or under foreign contracts, and the liability relates to one Sub-fund which is unable to discharge its liability, it is not clear whether a foreign court would give effect to the segregated liability contained in the Instrument of Incorporation. Therefore, it is not possible to be certain that the assets of a Sub-fund will always be completely insulated from the liabilities of another Sub-fund of the Company in every circumstance.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Tracker Sub-funds</b>	<p>The value of your investment will depend on the performance of the FTSE World Europe Ex UK Index and the success of the Sub-fund in tracking that index.</p>			✓								
<b>Negative Interest Rates</b>	<p>Cash or money market instruments held in the Sub-funds are subject to the prevailing interest rates in the specific currency of the asset. There may be situations where the interest rate environment results in rates turning negative. In such situations the Sub-fund may have to pay to have money on deposit or hold the money market instrument.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

Note: This Appendix describes only the share classes marketed to UK residents. Share classes marketed to non-UK residents are described in Appendix 4.

### 1.1 M&G Asian Fund.

#### Investment objective and policy.

The Fund's sole objective is long term capital growth. It invests wholly or mainly in a range of Asian (including Australasian) securities. When not wholly invested as above, the Fund may also invest in global securities with the exception of Japanese securities.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI AC Asia Pacific ex Japan Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: nil Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

#### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above.

Investors should be looking to invest for at least five years and 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.

#### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640864

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of The M&G South East Asia Fund unit trust which had been launched on 14 September 1973. The last significant change to the Fund's investment objective and/or investment policy occurred on 23 March 2006.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.2 M&G European Select Fund.

#### Investment objective and policy.

The Fund's prime objective is long term capital growth. It invests wholly or predominantly in a diversified portfolio of securities of European (excluding United Kingdom) issuers. When not wholly invested as above, it may also invest in companies which are listed or registered outside Europe but trade within it. Income is of secondary importance when investments are selected. The Fund may at any time be concentrated in a limited number of securities.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: FTSE World Europe ex UK

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: nil Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: Up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depositary Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depositary's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

#### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above.

Investors should be looking to invest for at least five years and 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.

#### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640866

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 24 July 1972.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.3 M&G European Index Tracker Fund.

#### Investment objective and policy.

The Fund is designed to track the FTSE World Europe ex UK Index.

#### Additional information:

The FTSE World Europe ex UK Index index comprises large and mid-capitalisations stocks and covers 20 European markets (excluding the UK).

The Fund tracks the Index using a technique called stratified sampling. The Fund will normally hold the largest 100 stocks in the index as well as a selection of the remaining smaller stocks to ensure that the Fund's capitalisation and industry weights are in line with the index weightings. The Fund can invest in securities joining or likely to join index.

The Fund is directly invested in the stocks and would not normally use derivatives to gain exposure other than for short term EPM purposes. The sampling method does not introduce any counterparty risk.

The predicted investment returns (gross of fees) tracking error under normal circumstances is up to 0.5

Because the Fund uses a stratified sampling method to track the index and does not replicate the index, the Fund's ability to track the index will be impacted. There are many factors which do not affect the Index, but do impact on the Fund's performance, such as transaction costs, expenses and illiquidity of any constituent. Cash flows, including income and distributions, into and out the Fund also have an impact on performance as the Fund rebalances, due to the dealing spreads and broker commission incurred. In addition, the benchmark constituents are not fixed, it rebalances quarterly, and it may take time for the Fund to reflect any changes.

FTSE publishes the names of the index constituents on their website and can be found at [www.ftse.com/analytics/factsheets/home/constituentsweights](http://www.ftse.com/analytics/factsheets/home/constituentsweights). The index name is FTSE World Europe Ex UK.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A –Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500
Lump sum subsequent investment	Class A: £100
Lump sum holding	Class A: £500
Regular saving (per month)	Class A: £10
Redemption	Class A: £100

#### Charges and Expenses

Initial charge	Class A: nil
Redemption charge	Class A: n/a
Annual Management Charge	Class A: 0.5%
Administration Charge	Class A: 0.15%
Depositary Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depositary's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

Note re ACD's remuneration: A single annual charge of no more than 1% of NAV per annum is deducted from the income of the Fund relevant to this share class. From this charge the ACD receives no more than 0.5% by way of annual remuneration, and the remuneration of the ACD as Administrator and Registrar and the Depositary are also paid out of this charge. The Depositary is also entitled to receive out of this charge custodian and transaction charges. The ACD has agreed to pay sufficient sums from its own resources so as to ensure that the total charges on the Fund relevant to this share class do not exceed 1% of NAV per annum.

#### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in a tracker fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

#### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640870

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 31 January 2000.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.4 M&G Pan European Select Smaller Companies Fund.

#### Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the EMIX Smaller European Companies Index, net of the Ongoing Charges Figure, over any five-year period.

#### Investment policy

The Fund will invest at least 80% in the equities of European smaller companies, from the bottom third (by total market capitalisation) of all publicly listed equities in Europe including the UK.

The Fund has a concentrated portfolio and usually holds fewer than 45 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

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. Companies involved in the production of tobacco and controversial weapons are also excluded.

The Fund may also invest in collective investment schemes, including funds managed by M&G, other transferable securities and warrants. Cash and near cash may be held for ancillary purposes and derivatives may be used for efficient portfolio management and hedging purposes.

#### Investment Approach

The Fund makes long-term investments in smaller companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the fund manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: nil Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: 0.1% Class J: Up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying Fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640869

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 30 September 1996.



# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.5 M&G Global Themes Fund.

#### Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the MSCI ACWI Index over any five-year period.

#### Investment policy

The Fund will invest at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets.

The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes.

Derivatives may be used for efficient portfolio management.

#### Investment approach

The investment process of the Fund combines top-down and bottom-up analysis. The fund manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks that can benefit from these themes are then selected on the basis of their quality, growth and valuation.

Themes are identified through the analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

The Fund is invested across the market-cap spectrum and is geographically diversified.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI ACWI Index over any five-year period.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640863

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 28 February 1973. The last significant change to the Fund's investment objective and/or investment policy occurred on 17 November 2000.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.6 M&G Global Select Fund.

#### Investment objective:

The Fund aims to provide a total return (the combination of capital growth and income).

#### Investment policy:

At least 80% of the Fund is invested in companies globally across a wide range of geographies, sectors and market capitalisations. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.

The Fund is based on an investment process that uses fundamental analysis to identify competitively advantaged companies with sustainable business models.

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.

The Fund may also invest in other transferable securities, directly or via collective investment schemes, and may hold cash for liquidity purposes. Collective investment schemes may include funds managed by M&G.

Derivatives may be used for efficient portfolio management.

#### 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 fund manager invests in these businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI World Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying Fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640868

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of The M&G International Growth Fund unit trust which had been launched on 19 December 1967. The last significant change to the Fund's investment objective and/or investment policy occurred on 19 September 2008.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.7 M&G Japan Fund.

#### Investment objective and policy.

The Fund invests in a wide range of securities of Japanese issuers, covering most aspects of the economy. Its sole objective is long term capital growth. Income is not a consideration when investments are selected.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI Japan Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.



# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Japanese Yen
Product Reference Number:	640871

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 6 April 1971.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.8 M&G Japan Smaller Companies Fund.

#### Investment objective and policy.

The Fund invests wholly or predominantly in securities of smaller Japanese companies, the universe for which is the bottom third in terms of total market capitalisation of all publicly listed equity in Japan. When not wholly invested as above, the Fund may also invest in medium sized and larger companies in order to enhance its liquidity. Its sole objective is long term capital growth.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: Russell Nomura Mid-Small Cap Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
ACD's Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depositary Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depositary's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying Fund.

#### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

#### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001
Valuation Currency:	Japanese Yen
Product Reference Number:	640867

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 15 May 1984.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.9 M&G North American Dividend Fund.

#### Investment objective

The Fund aims to maximise total return (the combination of capital growth and income) whilst aiming to grow distributions over the long term.

#### Investment policy

The Fund will invest mainly in North American equities and may invest across all sectors and market capitalisations. The Fund may also invest in transferable securities issued by companies which are listed, registered or trading within North America and in collective investment schemes. Cash and near cash may be held for ancillary purposes and derivatives, including warrants, may be used for efficient portfolio management and hedging purposes.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: S&P 500 Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December (final); 31 March (interim); 30 June (interim); 30 September.

Share classes/types in issue or available for issue*:	<p>Sterling Class A – Accumulation and Income</p> <p>Sterling Class A-H (Hedged) – Accumulation and Income</p> <p>Sterling Class X – Accumulation and Income</p> <p>Sterling Class R – Accumulation and Income</p> <p>Sterling Class R-H (Hedged) – Accumulation and Income</p> <p>Sterling Class I – Accumulation and Income</p> <p>Sterling Class I-H (Hedged) – Accumulation and Income</p> <p>Sterling Class C – Accumulation and Income</p> <p>Sterling Class J – Accumulation and Income</p> <p>Sterling Class J-H (hedged) – Accumulation and Income</p> <p>Sterling Class Z – Accumulation and Income</p> <p>Sterling Class Z-H (hedged) – Accumulation and Income</p>
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#### Investment minima

Lump sum initial investment	<p>Class A: £500</p> <p>Class A-H: £500</p> <p>Class X: £500</p> <p>Class R: £500</p> <p>Class R-H: £500</p> <p>Class I: £500,000</p> <p>Class I-H: £500,000</p> <p>Class C: £500,000</p> <p>Class J: £200,000,000</p> <p>Class J-H: £200,000,000</p> <p>Class Z: £20,000,000</p> <p>Class Z-H: £20,000,000</p>
Lump sum subsequent investment	<p>Class A: £100</p> <p>Class A-H: £100</p> <p>Class X: £100</p> <p>Class R: £100</p> <p>Class R-H: £100</p> <p>Class I: £10,000</p> <p>Class I-H: £10,000</p> <p>Class C: £25,000</p> <p>Class J: £500,000</p> <p>Class J-H: £500,000</p> <p>Class Z: £500,000</p> <p>Class Z-H: £500,000</p>

Lump sum holding	<p>Class A: £500</p> <p>Class A-H: £500</p> <p>Class X: £500</p> <p>Class R: £500</p> <p>Class R-H: £500</p> <p>Class I: £10,000</p> <p>Class I-H: £10,000</p> <p>Class C: £500,000</p> <p>Class J: £200,000,000</p> <p>Class Z: £20,000,000</p> <p>Class J: £200,000,000</p> <p>Class J-H: £200,000,000</p> <p>Class Z: £20,000,000</p> <p>Class Z-H: £20,000,000</p>
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Regular saving (per month)	<p>Class A: £10</p> <p>Class A-H: £10</p> <p>Class X: £10</p> <p>Class R: £10</p> <p>Class R-H: £10</p> <p>Class I: n/a</p> <p>Class I-H: n/a</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class J-H: n/a</p> <p>Class Z: n/a</p> <p>Class Z-H: n/a</p>
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Redemption	<p>Class A: £100</p> <p>Class A-H: £100</p> <p>Class X: £100</p> <p>Class R: £100</p> <p>Class R-H: £100</p> <p>Class I: £10,000</p> <p>Class I-H: £10,000</p> <p>Class C: £25,000</p> <p>Class J: £500,000</p> <p>Class J-H: £500,000</p> <p>Class Z: £500,000</p> <p>Class Z-H: £500,000</p>
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#### Charges and Expenses

Initial charge	<p>Class A: nil</p> <p>Class A-H: nil</p> <p>Class X: nil</p> <p>Class R: nil</p> <p>Class R-H: nil</p> <p>Class I: nil</p> <p>Class I-H: nil</p> <p>Class C: -</p> <p>Class J: nil</p> <p>Class J-H: nil</p> <p>Class Z: nil</p> <p>Class Z-H: nil</p>
Redemption charge	<p>Class A: n/a</p> <p>Class A-H: n/a</p> <p>Class X: n/a</p> <p>Class R: n/a</p> <p>Class R-H: n/a</p> <p>Class I: n/a</p> <p>Class I-H: n/a</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class J-H: n/a</p> <p>Class Z: n/a</p> <p>Class Z-H: n/a</p>

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

Annual Management Charge	Class A: 1.5% Class A-H: 1.5% Class X: 1.5% Class R: 1.0% Class R-H: 1.0% Class I: 0.75% Class I-H: 0.75% Class C: - Class J: up to 0.75% Class J-H: up to 0.75% Class Z: nil Class Z-H: nil
Administration Charge	Class A: 0.15% Class A-H: 0.15% Class X: 0.15% Class R: 0.15% Class R-H: 0.15% Class I: 0.15% Class I-H: 0.15% Class C: 0.15% Class J: 0.15% Class J-H: 0.15% Class Z: 0.15% Class Z-H: 0.15%
Share Class Hedging Fee	Class A-H: 0.01% to 0.055% Class R-H: 0.01% to 0.055% Class I-H: 0.01% to 0.055% Class J-H: 0.01% to 0.055% Class Z-H: 0.01% to 0.055%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Capital	100% to Capital
Annual Custody Charge	100% to Capital	100% to Capital
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Capital	100% to Capital
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640872

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 18 December 1972. The last significant change to the Fund's investment objective and/or investment policy occurred on 28 April 2015.

# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.10 M&G North American Value Fund.

#### Investment objective and policy.

The Fund aims to achieve long-term capital growth through investment in North American securities of North American companies using a value based investment philosophy.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: S&P 500 Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income

#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000

#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

#### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

#### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 July 2005
Valuation Currency:	U.S. Dollar
Product Reference Number:	640874

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.



# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### 1.11 M&G Pan European Select Fund.

#### Investment objective.

The Fund aims to provide a total return (the combination of capital growth and income).

#### Investment policy:

The Fund will invest at least 80% in equity securities of companies that are domiciled in, or conducting the major part of their economic activity in any European country. The Fund has a concentrated portfolio and usually holds fewer than 35 stocks.

The Fund is based on an investment process that uses fundamental analysis to identify competitively advantaged companies with sustainable business models.

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.

The Fund may also invest in other transferable securities, directly or via collective investment schemes, and may hold cash for liquidity purposes. Collective investment schemes may include funds managed by M&G.

Derivatives may be used for efficient portfolio management.

#### 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 fund manager invests in these businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI Europe Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December (Final); 30 June (Interim)

Share classes/types in issue or available for issue*:	Sterling Class A – Accumulation and Income Sterling Class X – Accumulation and Income Sterling Class R – Accumulation and Income Sterling Class I – Accumulation and Income Sterling Class C – Accumulation and Income Sterling Class J – Accumulation and Income Sterling Class Z – Accumulation and Income
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#### Investment minima

Lump sum initial investment	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
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Lump sum subsequent investment	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
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Lump sum holding	Class A: £500 Class X: £500 Class R: £500 Class I: £500,000 Class C: £500,000 Class J: £200,000,000 Class Z: £20,000,000
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Regular saving (per month)	Class A: £10 Class X: £10 Class R: £10 Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
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Redemption	Class A: £100 Class X: £100 Class R: £100 Class I: £10,000 Class C: £25,000 Class J: £500,000 Class Z: £500,000
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#### Charges and Expenses

Initial charge	Class A: nil Class X: nil Class R: nil Class I: nil Class C: - Class J: nil Class Z: nil
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Redemption charge	Class A: n/a Class X: n/a Class R: n/a Class I: n/a Class C: n/a Class J: n/a Class Z: n/a
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Annual Management Charge	Class A: 1.5% Class X: 1.5% Class R: 1.0% Class I: 0.75% Class C: - Class J: up to 0.75% Class Z: nil
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Administration Charge	Class A: 0.15% Class X: 0.15% Class R: 0.15% Class I: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
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# Appendix 1 –

## Details of the Sub-Funds of M&G Investment Funds (1)

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

### Other information

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640865

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of The M&G European Blue Chip Fund unit trust which had been launched on 29 September 1989. The last significant change to the Fund's investment objective and/or investment policy occurred on 30 July 2004.

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

The property of each Sub-fund will be invested with the aim of achieving the investment objective of that Sub-fund but subject to the limits on investment set out in this section of the Prospectus and Chapter 5 of the Regulations (the Collective Investment Schemes Sourcebook “COLL” 5.2 to 5.5) that are applicable to UCITS Schemes. These limits apply to each Sub-fund, subject to its investment objective and policy, as summarised below:

### 1 General rules of investment

- 1.1 The Instrument of Incorporation permits the ACD to utilise the investment and borrowing powers permitted by a UCITS scheme which complies with Chapter 5 of COLL. The ACD manages the Sub-funds in accordance with the investment and borrowing powers set out below.
- 1.2 The ACD’s investment policy may mean that at times, where it is considered appropriate, the property of the Sub-fund will not be fully invested and that prudent levels of liquidity will be maintained.

### 2 Prudent spread of risk

- 2.1 The ACD must ensure that, taking account of the investment objectives and policy of the Sub-fund, the scheme property of the Sub-fund aims to provide a prudent spread of risk.

### 3 Treatment of obligations

- 3.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in warrants and nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Company under any other of those rules has also to be provided for.
- 3.2 Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:
  - 3.2.1 it must be assumed that in applying any of those rules, each Sub-fund must also simultaneously satisfy any other obligation relating to cover; and
  - 3.2.2 no element of cover must be used more than once.

### 4 UCITS schemes: permitted types of scheme property

- 4.1 The scheme property of a Sub-fund must, subject to its investment objective and policy and except where otherwise provided by COLL 5, consist solely of any or all of:
  - 4.1.1 transferable securities;
  - 4.1.2 approved money-market instruments;
  - 4.1.3 units in collective investment schemes;
  - 4.1.4 derivatives and forward transactions;
  - 4.1.5 deposits; and
  - 4.1.6 movable and immovable property that is necessary for the direct pursuit of the Company’s business;  
in accordance with the rules in COLL 5.2.
- 4.2 The requirements on spread do not apply until the expiry of a period of six months after the date of effect of the authorisation order in respect of the Sub-funds (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk is complied with.
- 4.3 It is not intended that any Sub-fund will have an interest in any immovable property or tangible movable property.

### 5 Transferable Securities

- 5.1 A transferable security is an investment falling within article 76 (Shares etc), article 77 (Instruments creating or acknowledging indebtedness), article 77A (alternative debenture), article 78 (Government and public securities), article 79 (Instruments giving entitlement to investments) and article 80 (Certificates representing certain securities) of the Regulated Activities Order.
- 5.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 5.3 In applying paragraph 5.2 to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (Shares, etc) 77 (Instruments creating or acknowledging indebtedness) or article 77A (alternative debenture), of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 5.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

### 6 Investment in transferable securities

- 6.1 A Sub-fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
  - 6.1.1 the potential loss which the Sub-fund may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 6.1.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying Shareholder (see COLL 6.2.16R(3));
  - 6.1.3 reliable valuation is available for it as follows:
    - 6.1.3.1 in the case of a transferable security admitted to or dealt in an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
    - 6.1.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
  - 6.1.4 appropriate information is available for it as follows:
    - 6.1.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
    - 6.1.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- 6.1.5 it is negotiable; and
- 6.1.6 its risks are adequately captured by the risk management process of the ACD.

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

6.2 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

6.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying Shareholder; and

6.2.2 to be negotiable.

6.3 Not more than 5% in value of a sub-fund is to consist of warrants.

### 7 Closed end funds constituting transferable securities

7.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Sub-fund, provided it fulfils the criteria for transferable securities set out in section 6 (investment in transferable securities), and either:

7.1.1 where the closed end fund is constituted as an investment company or a unit trust:

7.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

7.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or

7.1.2 where the closed end fund is constituted under the law of contract:

7.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

7.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

### 8 Transferable securities linked to other assets

8.1 A Sub-fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Sub-fund provided the investment:

8.1.1 fulfils the criteria for transferable securities set out in section 6 (investment in transferable securities) above; and

8.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Sub-fund can invest.

8.2 Where an investment in 8.1 contains an embedded derivative component (see COLL 5.2.19R(3A)), the requirements of COLL 5 with respect to derivatives and forwards will apply to that component.

### 9 Approved Money Market Instruments

9.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money market, is liquid and has a value which can be accurately determined at any time.

9.2 A money-market instrument shall be regarded as normally dealt in on the money market if it:

9.2.1 has a maturity at issuance of up to and including 397 days;

9.2.2 has a residual maturity of up to and including 397 days;

9.2.3 undergoes regular yield adjustments in line with money market conditions at least every 397 days; or

9.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 9.2.1 or 9.2.2 or is subject to yield adjustments as set out in 9.2.3.

9.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem units at the request of any qualifying Shareholder (see COLL 6.2.16R(3)).

9.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:

9.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and

9.4.2 based either on market data or on valuation models including systems based on amortised costs.

9.5 A money-market instrument that is normally dealt in on the money market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

### 10 Transferable securities and money market instruments generally to be admitted or dealt in on an Eligible Market

10.1 Transferable securities and approved money market instruments held within a Sub-fund must be:

10.1.1 admitted to or dealt on an eligible market (as described in paragraph 11.3); or

10.1.2 dealt on an eligible market as described (in paragraph 11.3.2).

10.1.3 for an approved money market instrument not admitted to or dealt in on an eligible market, within 12.1; or

10.1.4 recently issued transferable securities provided that:

10.1.4.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and

10.1.4.2 such admission is secured within a year of issue.

10.2 However, a Sub-fund may invest no more than 10% of the scheme property in transferable securities and approved money-market instruments other than those referred to in 10.1

### 11 Eligible markets regime: purpose

11.1 To protect investors the markets on which investments of the Sub-fund are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold.

11.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction on investing in non approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

11.3 A market is eligible for the purposes of the rules if it is:

11.3.1 a regulated market; or

11.3.2 a market in an EEA State which is regulated, operates regularly and is open to the public; or

11.3.3 any market within 11.4.

11.4 A market not falling within paragraph 11.3 is eligible for the purposes of Chapter 5 of the Regulations if:

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

- 11.4.1 the ACD, after consultation and notification with the Depositary, decides that market is appropriate for investment of or dealing in the scheme property;
- 11.4.2 the market is included in a list in the prospectus; and
- 11.4.3 the Depositary has taken reasonable care to determine that:
- 11.4.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and
- 11.4.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 11.5 In paragraph 11.4, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulatory organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.
- 11.6 The eligible markets for each Sub-fund are set out in Appendix 3.
- ### 12 Money-market instruments with a regulated issuer
- 12.1 In addition to instruments admitted to or dealt in on an eligible market, a Sub-fund may invest in an approved money-market instrument provided it fulfils the following requirements:
- 12.1.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and
- 12.1.2 the instrument is issued or guaranteed in accordance with section 13 (issuers and guarantors of money market instruments).
- 12.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:
- 12.2.1 the instrument is an approved money-market instrument;
- 12.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with section 14 (appropriate information for money market instruments); and
- 12.2.3 the instrument is freely transferable.
- ### 13 Issuers and guarantors of money-market instruments
- 13.1 A Sub-fund may invest in an approved money-market instrument if it is:
- 13.1.1 issued or guaranteed by any one of the following:
- 13.1.1.1 a central authority of an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
- 13.1.1.2 a regional or local authority of an EEA State;
- 13.1.1.3 the European Central Bank or a central bank of an EEA State;
- 13.1.1.4 the European Union or the European Investment Bank;
- 13.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;
- 13.1.1.6 a public international body to which one or more EEA States belong; or
- 13.1.2 issued by a body, any securities of which are dealt in on an eligible market; or
- 13.1.3 issued or guaranteed by an establishment which is:
- 13.1.3.1 subject to prudential supervision in accordance with criteria defined by European Community law; or
- 13.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by European Community law.
- 13.2 An establishment shall be considered to satisfy the requirement in 13.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
- 13.2.1 it is located in the European Economic Area;
- 13.2.2 it is located in an OECD country belonging to the Group of Ten;
- 13.2.3 it has at least investment grade rating;
- 13.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by European Community law.
- ### 14 Appropriate information for money-market instruments
- 14.1 In the case of an approved money-market instrument within 13.1.2 or issued by a body of the type referred to in COLL 5.2.10E(G); or which is issued by an authority within 13.1.1.2 or a public international body within 13.1.1.6 but is not guaranteed by a central authority within 13.1.1.1, the following information must be available:
- 14.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
- 14.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
- 14.1.3 available and reliable statistics on the issue or the issuance programme.
- 14.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 13.1.3, the following information must be available:
- 14.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
- 14.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
- 14.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.
- 14.3 In the case of an approved money-market instrument:
- 14.3.1 within 13.1.1.1, 13.1.1.4 or 13.1.1.5; or
- 14.3.2 which is issued by an authority within 13.1.1.2 or a public international body within 13.1.1.6 and is guaranteed by a central authority within 13.1.1.1; information must be available on both the issue or the issuance programme, and on the legal and financial situation of the issuer prior to the issue of the instrument.



# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

### 15 Spread: general

- 15.1 This rule on spread does not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.2.1R (Spread: government and public securities) applies.
- 15.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with Directive 83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.
- 15.3 Not more than 20% in value of the scheme property is to consist of deposits with a single body.
- 15.4 Not more than 5% in value of the scheme property is to consist of transferable securities issued by any single body.
- 15.5 The limit of 5% in paragraph 15.4 is raised to 10% in respect of up to 40% in value of the scheme property. Covered bonds need not be taken into account for the purpose of applying the limit of 40%.
- 15.6 The limit of 5% in 15.4 is raised to 25% in value of the scheme property in respect of covered bonds, provided that when a Sub-fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the scheme property.
- 15.7 In applying paragraphs 15.4 and 15.5 certificates representing certain securities are treated as equivalent to the underlying security.
- 15.8 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the scheme property; this limit being raised to 10% where the counterparty is an approved bank.
- 15.9 Not more than 20% in value of the scheme is to consist of transferable securities and approved money market instruments issued by the same group (as referred to in paragraph 15.2).
- 15.10 Subject to section 23 (Concentration) in applying the limits in paragraphs 15.4, 15.5, 15.7 and 15.9, and subject to 15.6, and in relation to a single body not more than 20% in value of the scheme property is to consist of any combination of two or more of the following:
- 15.10.1 transferable securities (including covered bonds) or approved money market instruments issued by that body; or
  - 15.10.2 deposits made with that body; or
  - 15.10.3 exposures from OTC derivatives transactions made with that body.

### 16 Counterparty risk and issuer concentration

- 16.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 15.8 and 15.10 above.
- 16.2 When calculating the exposure of a Sub-fund to a counterparty in accordance with the limits in paragraph 15.8 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 16.3 The ACD may net the OTC derivative positions of a Sub-fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Fund.
- 16.4 The netting agreements in paragraph 16.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Sub-fund may have with that same counterparty.
- 16.5 The ACD may reduce the exposure of scheme property to a counterparty of an OTC derivative through the receipt of collateral.

Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

- 16.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 15.8 when it passes collateral to an OTC counterparty on behalf of a Sub-fund.
- 16.7 Collateral passed in accordance with paragraph 16.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Sub-fund.
- 16.8 The ACD must calculate the issuer concentration limits referred to in section 15 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.
- 16.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 15.10 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.

### 17 Spread: Government and public securities

- 17.1 The restrictions in relation to such securities are set out below. This section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued by:
- 17.1.1 an EEA State;
  - 17.1.2 a local authority or an EEA State;
  - 17.1.3 a non-EEA State; or
  - 17.1.4 a public international body to which one or more EEA States belong.
- 17.2 Where no more than 35% in value of the scheme property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.
- 17.3 Subject to its investment objective and policy, a Sub-fund may invest more than 35% in value of the scheme property in such securities issued by any one body provided that:
- 17.3.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the authorised fund;
  - 17.3.2 no more than 30% in value of the scheme property consists of such securities of any one issue;
  - 17.3.3 the scheme property includes such securities issued by that or another issuer, of at least six different issues;
  - 17.3.4 the disclosures required by the FCA have been made.
- 17.4 The rules in paragraph 17.3 apply to the Sub-funds listed in Appendix 1 only where that Sub-fund's investment objective and policy specifically states more than 35% of the scheme property of that Sub-fund is or may be invested in certain securities (which are listed in the investment objective and policy).
- 17.5 In relation to such securities:
- 17.5.1 issue, issued and issuer include guarantee, guaranteed and guarantor; and
  - 17.5.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.
- 17.6 Notwithstanding paragraph 16.1 above, and subject to paragraphs 17.2 and 17.3, in applying the 20% limit in 15.10 with respect to a single body, government and public securities issued by that body shall be taken into account.

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

### 18 Investment in collective investment schemes

- 18.1 Up to 5% in value of the property of a Sub-fund may be invested in units or shares in one or more:
- 18.1.1 UCITS schemes; or
- 18.1.2 certain recognised schemes, as defined in s272 the Financial Services and Markets Act 2000, subject in each case that certain conditions are met and in particular that the second scheme has terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes.
- 18.2 Subject to the rules in COLL 5.2.15R and the value stated in 18.1 above, investments in collective investment schemes may be in schemes which are managed or operated by (or, in the case of companies incorporated under the OEIC Regulations, have as their authorised corporate director) the ACD or an associate of the ACD.
- 18.3 A Sub-fund may invest in or dispose of shares in another Sub-fund of the Company (the second Sub-fund) provided that the second Sub-fund does not hold shares in any other Sub-fund in the Company.

### 19 Investment in nil and partly paid securities

A transferable security or an approved money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the sub-fund, at the time when payment is required, without contravening the rules in Chapter 5 of COLL.

### 20 Risk management

- 20.1 The ACD must use a risk management process, enabling it to monitor and measure at any time the risk of a Sub-fund's positions and their contribution to the overall risk profile of the Sub-fund.
- 20.2 The following details of the risk management process must be regularly notified by the ACD to the FCA and at least on an annual basis:
- 20.2.1 a true and fair view of the types of derivatives and forward transactions to be used within a Sub-fund together with their underlying risks and any relevant quantitative limits; and
- 20.2.2 the methods for estimating risks in derivative and forward transactions.

### 21 Investment in deposits

The Company may invest in deposits only with an Approved Bank and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months.

### 22 Significant influence

- 22.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:
- 22.2 immediately before the acquisition, the aggregate of any such securities held by the Sub-fund gives the Sub-fund power significantly to influence the conduct of business of that body corporate; or
- 22.3 the acquisition gives the Company that power.
- 22.4 For the purpose of paragraph 22.3, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

### 23 Concentration

The Company:

- 23.1 must not acquire transferable securities (other than debt securities) which:
- 23.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and
- 23.1.2 represent more than 10% of those securities issued by that body corporate;
- 23.2 must not acquire more than 10% of the debt securities issued by any single body;
- 23.3 must not acquire more than 25% of the units in a collective investment scheme;
- 23.4 must not acquire more than 10% of the approved money market instruments issued by any single body; and
- 23.5 need not comply with the limits in paragraphs 23.2 to 23.4 if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

### 24 Use of derivatives - efficient portfolio management

- 24.1 The Company may use its property to enter into derivatives transactions but only for the purposes of efficient portfolio management ('EPM') as set out in this section 24 and may enter into any transaction to hedge (i.e. with the purpose of preserving the value of an asset or assets of a Sub-fund).
- 24.2 A transaction in a derivative must:
- 24.2.1 have the underlying consisting of any or all of the following to which the scheme is dedicated:
- 24.2.1.1 transferable securities permitted under section 10 (Transferable securities and money market instruments generally to be admitted or dealt in on an Eligible Market);
- 24.2.1.2 approved money market instruments permitted under section 10 (Transferable securities and money market instruments generally to be admitted or dealt in on an Eligible Market) above;
- 24.2.1.3 deposits permitted under section 21 (investment in deposits);
- 24.2.1.4 derivatives permitted under this rule;
- 24.2.1.5 collective investment scheme units permitted under section 19 (investment collective investment schemes) above;
- 24.2.1.6 financial indices which satisfy the criteria set out at COLL 5.2.20AR (financial indices underlying derivatives);
- 24.2.1.7 interest rates;
- 24.2.1.8 foreign exchange rates; and
- 24.2.1.9 currencies; and
- 24.2.2 the transaction must be covered in accordance with paragraph 25 below; and
- 24.2.3 the exposure to the underlying assets must not exceed the limits set out in sections 15 and 17.
- 24.3 Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives (i.e. options, futures or contracts for differences) dealt in or traded on an approved derivatives market; off exchange futures, options or contracts for differences resembling options; or synthetic futures in certain circumstances. The Company may enter into approved derivatives

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

transactions on derivatives markets which are eligible. Eligible derivatives markets are those which the ACD after consultation with the Depositary has decided are appropriate for the purpose of investment of or dealing in the scheme property with regard to the relevant criteria set out in the Regulations and the Guidance on eligible markets issued by the FCA as amended from time to time.

- 24.4 The eligible derivatives markets for the Company are set out in Appendix 3.
- 24.5 New eligible derivatives markets may be added to a Sub-fund in accordance with the Regulations and only after the ACD has revised the prospectus accordingly.
- 24.6 Any forward transactions must be with an approved counterparty (eligible institutions, money market institutions etc). A derivative or forward transaction which would or could lead to delivery of scheme property to the Depositary in respect of the Company may be entered into only if such scheme property can be held by the Company, and the ACD reasonably believes that delivery of the property pursuant to the transactions will not lead to a breach of the Regulations.
- 24.7 There is no limit on the amount of the scheme property which may be used for EPM but the transactions must satisfy three broadly-based requirements:
- 24.7.1 A transaction must reasonably be believed by the ACD to be economically appropriate to the efficient portfolio management of the Company. This means that transactions undertaken to reduce risk or cost (or both) must alone or in combination with other EPM transactions diminish a risk or cost of a kind or level which it is sensible to reduce and transactions undertaken to generate additional capital or income must confer a benefit on the Company or the Sub-fund.
- 24.8 EPM may not include speculative transactions.
- 24.9 The purpose of an EPM transaction for the Company must be to achieve one of the following aims in respect of the Company or a Sub-fund:
- reduction of risk
  - reduction of cost
  - the generation of additional capital or income
- 24.9.1 Reduction of risk allows for the use of the technique of cross-currency hedging in order to switch all or part of the Company's or Sub-fund's exposure away from a currency the ACD considers unduly prone to risk, to another currency. This aim also permits the use of stock index contracts to change the exposure from one market to another, a technique known as 'tactical asset allocation'.
- 24.9.2 Reduction of cost allows for the use of futures or options contracts, either on specific stocks or on an index, in order to minimise or eliminate the effect of changing prices of stocks to be bought or sold.
- 24.9.3 The aims of reduction of risk or cost, together or separately, allow the ACD on a temporary basis to use the technique of tactical asset allocation. Tactical asset allocation permits the ACD to undertake a switch in exposure by use of derivatives, rather than through sale and purchase of the scheme property. If an EPM transaction for the Company relates to the acquisition or potential acquisition of transferable securities, the ACD must intend that the Company should invest in transferable securities within a reasonable time and the ACD shall thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.
- 24.9.4 The generation of additional capital or income for the Company or Sub-fund with no or an acceptably low level of risk means the ACD reasonably believes that the Company or Sub-fund is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit.

The generation of additional capital or income may arise out of taking advantage of price imperfections or from the receipt of a premium for writing of covered call or covered put options (even if the benefit is obtained at the expense of the foregoing of yet greater benefit) or pursuant to stock lending as permitted by the Regulations. The relevant purpose must relate to scheme property; scheme property (whether precisely identified or not) which is to be or is proposed to be acquired for the Company; and anticipated cash receipts of the Company, if due to be received at some time and likely to be received within one month.

- 24.10 Each EPM transaction must be fully covered 'individually' by scheme property of the right kind (i.e. in the case of exposure in terms of property, appropriate transferable securities or other property; and, in the case of exposure in terms of money, cash, near-cash instruments, borrowed cash or transferable securities which can be sold to realise the appropriate cash). It must also be covered 'globally' (i.e. after providing cover for existing EPM transactions there is adequate cover for another EPM transaction within the scheme property - there can be no gearing). Scheme property and cash can be used only once for cover and, generally, scheme property is not available for cover if it is the subject of a stock lending transaction. The EPM lending transaction in a back to back currency borrowing (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates) does not require cover.

### 25 Requirement to covers sales

- 25.1 No agreement by or on behalf of a Sub-fund to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Sub-fund by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Sub-fund at the time of the agreement. This requirement does not apply to a deposit.

### 26 Stock lending

- 26.1 As an extension of EPM explained above, the Company or the Depositary at the request of the Company, may enter into certain repo contracts or stock lending arrangements in respect of the Company or a Sub-fund. The Company or the Depositary delivers securities which are the subject of the stock lending arrangement in return for an agreement that securities of the same kind and amount should be redelivered to the Company or the Depositary at a later date. The Company or the Depositary at the time of delivery receives collateral to cover the risk of the future redelivery not being completed. There is no limit on the value of the property of the Company which may be the subject of stock lending arrangements.
- 26.2 Repo contracts and stock lending arrangements must be an arrangement of the kind described in Section 263B of the Taxation of Chargeable Gains Act 1992. The arrangements must also comply with the requirements of the Regulations.

### 27 Cover for derivatives

- 27.1 The ACD must ensure that its global exposure to derivatives and forward transactions held in the Sub-fund does not exceed the net asset value of the scheme property.

### 28 Daily calculation of global exposure

- 28.1 The ACD must calculate the global exposure of a Sub-fund on at least a daily basis.
- 28.2 For these purposes exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

### 29 Calculation of global exposure

- 29.1 The ACD must calculate the global exposure of any Sub-fund it manages either as:
- 29.1.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the Net Asset Value of the scheme property of a Sub-fund, by way of the commitment approach; or
  - 29.1.2 the market risk of the scheme property of a Sub-fund, by way of the value at risk approach.
- 29.2 The ACD must ensure that the method selected above is appropriate, taking into account:
- 29.2.1 the investment strategy pursued by the Sub-fund;
  - 29.2.2 the types and complexities of the derivatives and forward transactions used; and
  - 29.2.3 the proportion of the scheme property comprising derivatives and forward transactions.
- 29.3 Where a Sub-fund employs techniques and instruments including repo contracts or stock lending transactions in accordance with section 26 (Stock lending) in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.
- 29.4 For the purposes of paragraph 29.1, value at risk means a measure of the maximum expected loss at a given confidence level over the specific time period.

### 30 Valuation of OTC derivatives

- 30.1 For the purposes of paragraph 4.1.4, the ACD must:
- 30.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Fund to OTC derivatives; and
  - 30.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.
- 30.2 Where the arrangements and procedures referred to in paragraph 30.1.1 involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).
- 30.3 The arrangements and procedures referred to in this rule must be:
- 30.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and
  - 30.3.2 adequately documented.

### 31 Commitment approach

- 31.1 Where the ACD uses the commitment approach for the calculation of global exposure, it must:
- 31.1.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in paragraph 24 (Use of Derivatives), whether used as part of the Sub-Fund's general investment policy, for the purposes of risk reduction or for the purposes of Efficient Portfolio Management in accordance with paragraph 26 (Stock lending) ; and
  - 31.1.2 convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward (standard commitment approach).

- 31.2 The ACD may apply other calculation methods which are equivalent to the standard commitment approach.
- 31.3 For the commitment approach, the ACD may take account of netting and hedging arrangements when calculating global exposure of a Sub-fund, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure.
- 31.4 Where the use of derivatives or forward transactions does not generate incremental exposure for the Sub-fund, the underlying exposure need not be included in the commitment calculation.
- 31.5 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Sub-fund in accordance with its general power to borrow need not form part of the global exposure calculation.
- 31.6 The ACD uses the commitment approach to calculate the global exposure for all the sub funds in the umbrella: M&G Asian Fund, M&G European Select Fund, M&G European Index Tracker Fund, M&G Pan European Select Smaller Companies Fund, M&G Global Themes Fund, M&G Global Select Fund, M&G Japan Fund, M&G Japan Smaller Companies Fund, M&G North American Dividend Fund, M&G North American Value Fund and M&G Pan European Select Fund.

### 32 Underwriting

- 32.1 Underwriting and sub-underwriting contracts and placings may also, subject to certain conditions set out in the Regulations, be entered into for the account of the Company or Sub-fund.

### 33 Borrowing Powers

- 33.1 The ACD may, on the instructions of the Company and subject to the Regulations, borrow money from an eligible institution or an approved bank for the use of the Company on the terms that the borrowing is to be repayable out of the scheme property.
- 33.2 Borrowing must be on a temporary basis, not persistent and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.
- 33.3 The ACD must ensure that borrowing does not, on any business day, exceed 10% of the value of the scheme property.
- 33.4 These borrowing restrictions do not apply to 'back to back' borrowing for currency hedging purposes.



# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

Where permitted by their objective and policy, a Sub-fund may deal in any securities, derivatives or money market instruments on any market that is:

- a regulated market; or
- a market in an EEA State which is regulated, operates regularly and is open to the public; or
- a market which the ACD, after consultation with the Depositary, decides is appropriate for investment of or dealing in the scheme property, is listed below and the Depositary has taken reasonable care to determine that (i) adequate custody arrangements can be provided for the investment dealt in on that market; and (ii) all reasonable steps have been taken by the ACD in deciding whether the market is eligible (see Appendix 2, 11.4 for more detail).

For the purposes of “b” above, the Manager may trade in bonds and other securities issued by non-UK institutions, on the UK OTC Market. Additionally, for “c” above, the markets listed below have been deemed appropriate.

In addition, up to 10% in value of a Sub-fund may be invested in transferable securities and/or money market instruments which are not listed on these markets

In the event that an eligible market changes its name or merges with another eligible market, the successor market will be an eligible market unless the FCA's COLL rules require further due diligence by the ACD and Depositary in order for it to be approved. In these circumstances, the prospectus will be updated with the name of the new market at the next available opportunity.

### Europe (non-EEA States)

Switzerland	SIX Swiss Exchange
Turkey	Borsa Istanbul
Croatia	Zagreb Exchange

### Americas

Brazil	BM&F Bovespa
Canada	TSX (forms part of the TMX Group)
Chile	Bolsa de Comercio de Santiago (BCS)
Colombia	Bolsa de Valores de Colombia (BVC) exchange
Mexico	Bolsa Mexicana de Valores (Mexican Stock Exchange)
United States	New York Stock Exchange NYSE Mkt LLC NYSE Arca Boston Stock Exchange (BSE) Chicago Stock Exchange (CHX) The NASDAQ Stock Market US OTC market regulated by FINRA National Stock Exchange NASDAQ OMX PHLX The market in transferable securities issued by or on behalf of the Government of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers.

### Africa

South Africa	The JSE Securities Exchange
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### Far East

Australia	Australian Securities Exchange (ASX)
China	Shanghai Stock Exchange Shenzhen Stock Exchange
Hong Kong	Hong Kong Exchanges Growth Global Enterprise Market (GEM)
India	Bombay Stock Exchange Ltd The National Stock Exchange of India
Indonesia	Indonesia Stock Exchange (IDX)
Japan	Tokyo Stock Exchange Nagoya Stock Exchange Sapporo Stock Exchange JASDAQ
Korea	Korea Exchange Incorporated (KRX)
Malaysia	Bursa Malaysia Berhad
New Zealand	New Zealand Stock Exchange
Pakistan	Karachi Exchange
Philippines	Philippine Stock Exchange (PSE)
Singapore	Singapore Exchange (SGX)
Sri Lanka	Colombo Stock Exchange
Taiwan	Taiwan Stock Exchange Gre Tai (Taiwan OTC)
Thailand	The Stock Exchange of Thailand (SET)

### Middle East

Israel	Tel Aviv Stock Exchange (TASE)
Qatar	Qatar Exchange
United Arab Emirates	Nasdaq Dubai Exchange

For the purposes of “c” above, the derivatives markets listed below have been deemed appropriate.

### Europe (non-EEA States)

Switzerland	EUREX
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### Americas

Canada	The Montreal Exchange
United States	CME Group INC Chicago Board Options Exchange (CBOE)

### Africa

South Africa	The South African Futures Exchange (SAFEX)
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### Far East

Australia	Australian Securities Exchange (ASX)
Hong Kong	Hong Kong Exchanges
Japan	Osaka Securities Exchange
Korea	Korea Exchange Incorporated (KRX)
New Zealand	New Zealand Futures Exchange
Singapore	Singapore Exchange (SGX)
Thailand	Thailand Futures Exchange (TFEX)



# Appendix 2 –

## Investment Management and Borrowing Powers of the Company

### 4.1 M&G Asian Fund.

#### Investment objective and policy.

The Fund's sole objective is long term capital growth. It invests wholly or mainly in a range of Asian (including Australasian) securities. When not wholly invested as above, the Fund may also invest in global securities with the exception of Japanese securities.

Other Information:  
The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

#### Performance Comparator: MSCI AC Asia Pacific ex Japan Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class AS –Net Accumulation and Net Income</p> <p>Euro Class B – Net Accumulation and Net Income</p> <p>Euro Class BS –Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class CS –Net Accumulation and Net Income</p> <p>Euro Class J– Net Accumulation and Net Income</p> <p>Euro Class JS –Net Accumulation and Net Income</p> <p>Euro Class Z– Net Accumulation and Net Income</p> <p>Euro Class ZS –Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class AS– Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class CS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class JS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p> <p>U.S. Dollar Class ZS – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class AS – Net Accumulation and Net Income</p> <p>Swiss Franc Class C – Net Accumulation and Net Income</p> <p>Swiss Franc Class CS – Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation and Net Income</p> <p>Swiss Franc Class JS – Net Accumulation and Net Income</p> <p>Swiss Franc Class Z – Net Accumulation and Net Income</p> <p>Swiss Franc Class ZS – Net Accumulation and Net Income</p>

Singapore Dollar Class A–Net Accumulation and Net Income

Singapore Dollar Class AS–Net Accumulation and Net Income

Singapore Dollar Class C–Net Accumulation and Net Income

Singapore Dollar Class CS–Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class JS – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

Singapore Dollar Class ZS – Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>
Lump sum holding	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Regular saving (per month)	<p>Class A/AS: €75</p> <p>Class B/BS: n/a</p> <p>Class C/CS: € n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>
Lump sum holding	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Redemption	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>

# Appendix 3 –

## Eligible markets

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000
	Class C/CS: CHF500,000
	Class J/JS: CHF200,000,000
	Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75
	Class C/CS: CHF50,000
	Class J/JS: CHF500,000
	Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000
	Class C/CS: CHF500,000
	Class J/JS: CHF200,000,000
	Class Z/ZS: CHF20,000,000
Redemption	Class A/AS: CHF75
	Class C/CS: CHF50,000
	Class J/JS: CHF500,000
	Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000
	Class C/CS: S\$500,000
	Class J/JS: S\$200,000,000
	Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75
	Class C/CS: S\$50,000
	Class J/JS: S\$500,000
	Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000
	Class C/CS: S\$500,000
	Class J/JS: S\$200,000,000
	Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75
	Class C/CS: S\$50,000
	Class J/JS: S\$500,000
	Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25%
	Class B/BS: n/a
	Class C/CS: 3.25%
	Class J/JS: 3.25%
	Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a
	Class B/BS: n/a
	Class C/CS: n/a
	Class J/JS: n/a
	Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.5%
	Class B/BS: 2%
	Class C/CS: 0.75%
	Class J/JS: Up to 0.75%
	Class Z/ZS: n/a
Administration Charge	Class A/AS: 0.15%
	Class B/BS: 0.15%
	Class C/CS: 0.15%
	Class J/JS: 0.15%
	Class Z/ZS: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640864

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of The M&G South East Asia Fund unit trust which had been launched on 14 September 1973. The last significant change to the Fund's investment objective and/or investment policy occurred on 23 March 2006.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.2 M&G European Select Fund.

#### Investment objective and policy.

The Fund's prime objective is long term capital growth. It invests wholly or predominantly in a diversified portfolio of securities of European (excluding United Kingdom) issuers. When not wholly invested as above, it may also invest in companies which are listed or registered outside Europe but trade within it. Income is of secondary importance when investments are selected. The Fund may at any time be concentrated in a limited number of securities

Other Information:  
The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

#### Performance Comparator: FTSE World Europe ex UK

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class B – Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class J – Net Accumulation and Net Income</p> <p>Euro Class Z – Net Accumulation and Net Income</p>
	<p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class B – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p>
	<p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class B – Net Accumulation and Net Income</p> <p>Swiss Franc Class C – Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation and Net Income</p> <p>Swiss Franc Class Z – Net Accumulation and Net Income</p>
	<p>Singapore Dollar Class A – Net Accumulation and Net Income</p> <p>Singapore Dollar Class C – Net Accumulation and Net Income</p> <p>Singapore Dollar Class J – Net Accumulation and Net Income</p> <p>Singapore Dollar Class Z – Net Accumulation and Net Income</p>

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A: €1,000</p> <p>Class B: €1,000</p> <p>Class C: €500,000</p> <p>Class J: €200,000,000</p> <p>Class Z: €20,000,000</p>
Lump sum subsequent investment	<p>Class A: €75</p> <p>Class B: €75</p> <p>Class C: €50,000</p> <p>Class J: €500,000</p> <p>Class Z: €500,000</p>
Lump sum holding	<p>Class A: €1,000</p> <p>Class B: €1,000</p> <p>Class C: €500,000</p> <p>Class J: €200,000,000</p> <p>Class Z: €20,000,000</p>
Regular saving (per month)	<p>Class A: €75</p> <p>Class B: n/a</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class Z: n/a</p>
Redemption	<p>Class A: €75</p> <p>Class B: €75</p> <p>Class C: €50,000</p> <p>Class J: €500,000</p> <p>Class Z: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A: \$1,000</p> <p>Class B: \$1,000</p> <p>Class C: \$500,000</p> <p>Class J: \$200,000,000</p> <p>Class Z: \$20,000,000</p>
Lump sum subsequent investment	<p>Class A: \$75</p> <p>Class B: \$250</p> <p>Class C: \$50,000</p> <p>Class J: \$500,000</p> <p>Class Z: \$500,000</p>
Lump sum holding	<p>Class A: \$1,000</p> <p>Class B: \$1,000</p> <p>Class C: \$500,000</p> <p>Class J: \$200,000,000</p> <p>Class Z: \$20,000,000</p>
Regular saving (per month)	<p>Class A: \$75</p> <p>Class B: \$150</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class Z: n/a</p>
Redemption	<p>Class A: \$75</p> <p>Class B: \$150</p> <p>Class J: \$500,000</p> <p>Class Z: \$500,000</p>

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A: CHF1,000 Class B: CHF1,000 Class C: CHF500,000 Class J: CHF200,000,000 Class Z: CHF20,000,000
Lump sum subsequent investment	Class A: CHF75 Class B: CHF250 Class C: CHF50,000 Class J: CHF500,000 Class Z: CHF500,000
Lump sum holding	Class A: CHF1,000 Class B: CHF1,000 Class C: CHF500,000 Class J: CHF200,000,000 Class Z: CHF20,000,000
Regular saving (per month)	Class A: CHF75 Class B: CHF150 Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: CHF75 Class B: CHF150 Class C: CHF50,000 Class J: CHF500,000 Class Z: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A: S\$1,000 Class C: S\$500,000 Class J: S\$200,000,000 Class Z: S\$20,000,000
Lump sum subsequent investment	Class A: S\$75 Class C: S\$50,000 Class J: S\$500,000 Class Z: S\$500,000
Lump sum holding	Class A: S\$1,000 Class C: S\$500,000 Class J: S\$200,000,000 Class Z: S\$20,000,000
Redemption	Class A: S\$75 Class C: S\$50,000 Class J: S\$500,000 Class Z: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A: 5.25% Class B: n/a Class C: 3.25% Class J: 3.25% Class Z: 3.25%
Redemption charge	Class A: n/a Class B: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.5% Class B: 2% Class C: 0.75% Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class B: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above.

Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640866

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 24 July 1972.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.3 M&G European Index Tracker Fund.

#### Investment objective and policy.

The Fund is designed to track the FTSE World Europe ex UK Index.

#### Additional information:

The FTSE World Europe ex UK Index index comprises large and mid-capitalisations stocks and covers 20 European markets (excluding the UK).

The Fund tracks the Index using a technique called stratified sampling. The Fund will normally hold the largest 100 stocks in the index as well as a selection of the remaining smaller stocks to ensure that the Fund's capitalisation and industry weights are in line with the index weightings. The Fund can invest in securities joining or likely to join index.

The Fund is directly invested in the stocks and would not normally use derivatives to gain exposure other than for short term EPM purposes. The sampling method does not introduce any counterparty risk.

The predicted investment returns (gross of fees) tracking error under normal circumstances is up to 0.5

Because the Fund uses a stratified sampling method to track the index and does not replicate the index, the Fund's ability to track the index will be impacted. There are many factors which do not affect the Index, but do impact on the Fund's performance, such as transaction costs, expenses and illiquidity of any constituent. Cash flows, including income and distributions, into and out the Fund also have an impact on performance as the Fund rebalances, due to the dealing spreads and broker commission incurred. In addition, the benchmark constituents are not fixed, it rebalances quarterly, and it may take time for the Fund to reflect any changes.

FTSE publishes the names of the index constituents on their website and can be found at [www.ftse.com/analytics/factsheets/home/constituentsweights](http://www.ftse.com/analytics/factsheets/home/constituentsweights). The index name is FTSE World Europe Ex UK.

#### Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Singapore Dollar Class A–Net Accumulation and Net Income</p>

#### Investment minima (Euro Share Class)

Lump sum initial investment	Class A: €1,000
Lump sum subsequent investment	Class A: €75
Lump sum holding	Class A: €1,000
Regular saving (per month)	Class A: €75
Redemption	Class A: €75

#### Investment minima (U.S. Dollar Share Class)

Lump sum initial investment	Class A: \$1,000
Lump sum subsequent investment	Class A: \$75
Lump sum holding	Class A: \$1,000
Regular saving (per month)	Class A: \$75
Redemption	Class A: \$75

#### Investment minima (Swiss Franc Share Class)

Lump sum initial investment	Class A: CHF1,000
Lump sum subsequent investment	Class A: CHF75
Lump sum holding	Class A: CHF1,000
Regular saving (per month)	Class A: CHF75
Redemption	Class A: CHF75

#### Investment minima (Singapore Dollar Share Class)

Lump sum initial investment	Class A: S\$1,000
Lump sum subsequent investment	Class A: S\$75
Lump sum holding	Class A: S\$1,000
Redemption	Class A: S\$75

#### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A: nil
Redemption charge	Class A: n/a
Annual Management Charge	Class A: 0.5%
Administration Charge	Class A: 0.15%
Depositary Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

#### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depositary's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

Note re ACD's remuneration: A single annual charge of no more than 1% of NAV per annum is deducted from the income of the Fund relevant to this share class. From this charge the ACD receives no more than 0.5% by way of annual remuneration, and the remuneration of the ACD as Administrator and Registrar and the Depositary are also paid out of this charge. The Depositary is also entitled to receive out of this charge custodian and transaction charges. The ACD has agreed to pay sufficient sums from its own resources so as to ensure that the total charges on the Fund relevant to this share class do not exceed 1% of NAV per annum.

# Appendix 4 –

## Information on non-sterling Share Classes

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in a tracker fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640870

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 31 January 2000.



# Appendix 4 –

## Information on non-sterling Share Classes

### 4.4 M&G Pan European Select Smaller Companies Fund.

#### Investment objective

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the EMIX Smaller European Companies Index, net of the Ongoing Charges Figure, over any five-year period.

#### Investment policy

The Fund will invest at least 80% in the equities of European smaller companies, from the bottom third (by total market capitalisation) of all publicly listed equities in Europe including the UK.

The Fund has a concentrated portfolio and usually holds fewer than 45 stocks.

The Fund uses an investment process that is based on the fundamental analysis of competitively advantaged companies with sustainable business models.

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. Companies involved in the production of tobacco and controversial weapons are also excluded.

The Fund may also invest in collective investment schemes, including funds managed by M&G, other transferable securities and warrants. Cash and near cash may be held for ancillary purposes and derivatives may be used for efficient portfolio management and hedging purposes.

#### Investment Approach

The Fund makes long-term investments in smaller companies with sustainable business models and competitively advantageous characteristics to protect their profitability. Importantly, the fund manager invests in businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	Euro Class A – Net Accumulation and Net Income Euro Class B – Net Accumulation and Net Income Euro Class C – Net Accumulation and Net Income Euro Class J – Net Accumulation and Net Income Euro Class Z – Net Accumulation and Net Income U.S. Dollar Class A – Net Accumulation and Net Income U.S. Dollar Class C – Net Accumulation and Net Income U.S. Dollar Class J – Net Accumulation and Net Income U.S. Dollar Class Z – Net Accumulation and Net Income

Swiss Franc Class A – Net Accumulation and Net Income
Swiss Franc Class C – Net Accumulation and Net Income
Swiss Franc Class J – Net Accumulation and Net Income
Swiss Franc Class Z – Net Accumulation and Net Income
Singapore Dollar Class A – Net Accumulation and Net Income
Singapore Dollar Class C – Net Accumulation and Net Income
Singapore Dollar Class J – Net Accumulation and Net Income
Singapore Dollar Class Z – Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	Class A: €1,000 Class B: €1,000 Class C: €500,000 Class J: €200,000,000 Class Z: €20,000,000
Lump sum subsequent investment	Class A: €75 Class B: €75 Class C: €50,000 Class J: €500,000 Class Z: €500,000
Lump sum holding	Class A: €1,000 Class B: €1,000 Class C: €500,000 Class J: €200,000,000 Class Z: €20,000,000
Regular saving (per month)	Class A: €75 Class B: n/a Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: €75 Class B: €75 Class C: €50,000 Class J: €500,000 Class Z: €500,000

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	Class A: \$1,000 Class C: \$500,000 Class J: \$200,000,000 Class Z: \$20,000,000
Lump sum subsequent investment	Class A: \$75 Class C: \$50,000 Class J: \$500,000 Class Z: \$500,000
Lump sum holding	Class A: \$1,000 Class C: \$500,000 Class J: \$200,000,000 Class Z: \$20,000,000
Regular saving (per month)	Class A: \$75 Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: \$75 Class C: \$50,000 Class J: \$500,000 Class Z: \$500,000

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A: CHF1,000
	Class C: CHF500,000
	Class J: CHF200,000,000
	Class Z: CHF20,000,000
Lump sum subsequent investment	Class A: CHF75
	Class C: CHF50,000
	Class J: CHF500,000
	Class Z: CHF500,000
Lump sum holding	Class A: CHF1,000
	Class C: CHF500,000
	Class J: CHF200,000,000
	Class Z: CHF20,000,000
Regular saving (per month)	Class A: CHF75
	Class C: n/a
	Class J: n/a
	Class Z: n/a
Redemption	Class A: CHF75
	Class C: CHF50,000
	Class J: CHF500,000
	Class Z: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A: S\$1,000
	Class C: S\$500,000
	Class J: S\$200,000,000
	Class Z: S\$20,000,000
Lump sum subsequent investment	Class A: S\$75
	Class C: S\$50,000
	Class J: S\$500,000
	Class Z: S\$500,000
Lump sum holding	Class A: S\$1,000
	Class C: S\$500,000
	Class J: S\$200,000,000
	Class Z: S\$20,000,000
Redemption	Class A: S\$75
	Class C: S\$50,000
	Class J: S\$500,000
	Class Z: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar and Swiss Franc Share Classes)

Initial charge	Class A: 5.25%
	Class B: n/a
	Class C: 3.25%
	Class J: 3.25%
	Class Z: 3.25%
Redemption charge	Class A: n/a
	Class B: n/a
	Class C: n/a
	Class J: n/a
	Class Z: n/a
Annual Management Charge	Class A: 1.5%
	Class B: 2%
	Class C: 0.75%
	Class J: up to 0.75%
	Class Z: nil
Administration Charge	Class A: 0.15%
	Class B: 0.15%
	Class C: 0.15%
	Class J: 0.15%
	Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640869

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 30 September 1996.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.5 M&G Global Themes Fund.

#### Investment objective.

The Fund aims to provide a higher total return (the combination of capital growth and income) than that of the MSCI ACWI Index over any five-year period.

#### Investment policy

The Fund will invest at least 80% of its Net Asset Value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets.

The Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes.

Derivatives may be used for efficient portfolio management.

#### Investment approach

The investment process of the Fund combines top-down and bottom-up analysis. The fund manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks that can benefit from these themes are then selected on the basis of their quality, growth and valuation.

Themes are identified through the analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

The Fund is invested across the market-cap spectrum and is geographically diversified.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

#### Performance Comparator: MSCI ACWI Index over any five-year period.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class B – Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class J– Net Accumulation and Net Income</p> <p>Euro Class Z– Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class C– Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation and Net Income</p> <p>Swiss Franc Class Z – Net Accumulation and Net Income</p>

Singapore Dollar Class A–Net Accumulation and Net Income

Singapore Dollar Class C–Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A: €1,000</p> <p>Class B: €1,000</p> <p>Class C: €500,000</p> <p>Class J: €200,000,000</p> <p>Class Z: €20,000,000</p>
Lump sum subsequent investment	<p>Class A: €75</p> <p>Class B: €75</p> <p>Class C: €50,000</p> <p>Class J: €500,000</p> <p>Class Z: €500,000</p>
Lump sum holding	<p>Class A: €1,000</p> <p>Class B: €1,000</p> <p>Class C: €500,000</p> <p>Class J: €200,000,000</p> <p>Class Z: €20,000,000</p>
Regular saving (per month)	<p>Class A: €75</p> <p>Class B: n/a</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class Z: n/a</p>
Redemption	<p>Class A: €75</p> <p>Class B: €75</p> <p>Class C: €50,000</p> <p>Class J: €500,000</p> <p>Class Z: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A: \$1,000</p> <p>Class C: \$500,000</p> <p>Class J: \$200,000,000</p> <p>Class Z: \$20,000,000</p>
Lump sum subsequent investment	<p>Class A: \$75</p> <p>Class C: \$50,000</p> <p>Class J: \$500,000</p> <p>Class Z: \$500,000</p>
Lump sum holding	<p>Class A: \$1,000</p> <p>Class C: \$500,000</p> <p>Class J: \$200,000,000</p> <p>Class Z: \$20,000,000</p>
Regular saving (per month)	<p>Class A: \$75</p> <p>Class C: n/a</p> <p>Class J: n/a</p> <p>Class Z: n/a</p>
Redemption	<p>Class A: \$75</p> <p>Class C: \$50,000</p> <p>Class J: \$500,000</p> <p>Class Z: \$500,000</p>

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A: CHF1,000 Class C: CHF500,000 Class J: CHF200,000,000 Class Z: CHF20,000,000
Lump sum subsequent investment	Class A: CHF75 Class C: CHF50,000 Class J: CHF500,000 Class Z: CHF500,000
Lump sum holding	Class A: CHF1,000 Class C: CHF500,000 Class J: CHF200,000,000 Class Z: CHF20,000,000
Regular saving (per month)	Class A: CHF75 Class C: n/a Class J: n/a Class Z: n/a
Redemption	Class A: CHF75 Class C: CHF50,000 Class J: CHF500,000 Class Z: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A: S\$1,000 Class C: S\$500,000 Class J: S\$200,000,000 Class Z: S\$20,000,000
Lump sum subsequent investment	Class A: S\$75 Class C: S\$50,000 Class J: S\$500,000 Class Z: S\$500,000
Lump sum holding	Class A: S\$1,000 Class C: S\$500,000 Class J: S\$200,000,000 Class Z: S\$20,000,000
Redemption	Class A: S\$75 Class C: S\$50,000 Class J: S\$500,000 Class Z: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A: 5.25% Class B: n/a Class C: 3.25% Class J: 3.25% Class Z: 3.25%
Redemption charge	Class A: n/a Class B: n/a Class C: n/a Class J: n/a Class Z: n/a
Annual Management Charge	Class A: 1.75% Class B: 2.25% Class C: 0.75% Class J: up to 0.75% Class Z: nil
Administration Charge	Class A: 0.15% Class B: 0.15% Class C: 0.15% Class J: 0.15% Class Z: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640863

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 28 February 1973. The last significant change to the Fund's investment objective and/or investment policy occurred on 17 November 2000.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.6 M&G Global Select Fund.

#### Investment objective:

The Fund aims to provide a total return (the combination of capital growth and income).

#### Investment policy:

At least 80% of the Fund is invested in companies globally across a wide range of geographies, sectors and market capitalisations. The Fund has a concentrated portfolio and usually holds fewer than 40 stocks.

The Fund is based on an investment process that uses fundamental analysis to identify competitively advantaged companies with sustainable business models.

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.

The Fund may also invest in other transferable securities, directly or via collective investment schemes and may hold cash for liquidity purposes. Collective investment schemes may include funds managed by M&G.

Derivatives may be used for efficient portfolio management.

#### 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 fund manager invests in these businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

#### Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI World Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date: 31 August

Income allocation date: On or before 31 December

Share classes/types in issue or available for issue\*:

Euro Class A – Net Accumulation and Net Income  
 Euro Class AS– Net Accumulation and Net Income  
 Euro Class B - Net Accumulation and Net Income  
 Euro Class BS - Net Accumulation and Net Income  
 Euro Class C – Net Accumulation and Net Income  
 Euro Class CS – Net Accumulation and Net Income  
 Euro Class J– Net Accumulation and Net Income  
 Euro Class JS– Net Accumulation and Net Income  
 Euro Class Z– Net Accumulation and Net Income  
 Euro Class ZS– Net Accumulation and Net Income

U.S. Dollar Class A – Net Accumulation and Net Income

U.S. Dollar Class AS – Net Accumulation and Net Income

U.S. Dollar Class C – Net Accumulation and Net Income

U.S. Dollar Class CS – Net Accumulation and Net Income

U.S. Dollar Class J – Net Accumulation and Net Income

U.S. Dollar Class JS – Net Accumulation and Net Income

U.S. Dollar Class Z – Net Accumulation and Net Income

U.S. Dollar Class ZS– Net Accumulation and Net Income

Swiss Franc Class A – Net Accumulation and Net Income

Swiss Franc Class AS – Net Accumulation and Net Income

Swiss Franc Class C – Net Accumulation and Net Income

Swiss Franc Class CS – Net Accumulation and Net Income

Swiss Franc Class J – Net Accumulation and Net Income

Swiss Franc Class JS – Net Accumulation and Net Income

Swiss Franc Class Z – Net Accumulation and Net Income

Swiss Franc Class ZS – Net Accumulation and Net Income

Singapore Dollar Class A–Net Accumulation and Net Income

Singapore Dollar Class AS–Net Accumulation and Net Income

Singapore Dollar Class C–Net Accumulation and Net Income

Singapore Dollar Class CS–Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class JS – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

Singapore Dollar Class ZS – Net Accumulation and Net Income

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Euro Share Classes)

Lump sum initial investment	Class A/AS: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class J/JS: €200,000,000 Class Z/ZS: €20,000,000
Lump sum subsequent investment	Class A/AS: €75 Class B/BS: €75 Class C/CS: €50,000 Class J/JS: €500,000 Class Z/ZS: €500,000
Lump sum holding	Class A/AS: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class J/JS: €200,000,000 Class Z/ZS: €20,000,000
Regular saving (per month)	Class A/AS: €75 Class B/BS: n/a Class C/CS: n/a Class J/JS: N/A Class Z/ZS: N/A
Redemption	Class A/AS: €75 Class B/BS: €75 Class C/CS: €50,000 Class J/JS: €500,000 Class Z/ZS: €500,000

### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	Class A/AS: \$1,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class Z/ZS: \$20,000,000
Lump sum subsequent investment	Class A/AS: \$75 Class C/CS: \$50,000 Class J/JS: \$500,000 Class Z/ZS: \$500,000
Lump sum holding	Class A/AS: \$1,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class Z/ZS: \$20,000,000
Redemption	Class A/AS: \$75 Class C/CS: \$50,000 Class J/JS: \$500,000 Class Z/ZS: \$500,000

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Redemption	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class J/JS: 3.25% Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.75% Class B/BS: 2.25% Class C/CS: 0.75% Class J/JS: up to 0.75% Class Z/ZS: nil
Administration Charge	Class A/AS: 0.15% Class B/BS: 0.15% Class C/CS: 0.15% Class J/JS: 0.15% Class Z/ZS: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6



# Appendix 4 –

## Information on non-sterling Share Classes

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640868

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of The M&G International Growth Fund unit trust which had been launched on 19 December 1967. The last significant change to the Fund's investment objective and/or investment policy occurred on 19 September 2008.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.7 M&G Japan Fund.

#### Investment objective and policy.

The Fund invests in a wide range of securities of Japanese issuers, covering most aspects of the economy. Its sole objective is long term capital growth. Income is not a consideration when investments are selected.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI Japan Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class AS – Net Accumulation and Net Income</p> <p>Euro Class B – Net Accumulation and Net Income</p> <p>Euro Class BS – Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class CS– Net Accumulation and Net Income</p> <p>Euro Class J– Net Accumulation and Net Income</p> <p>Euro Class JS– Net Accumulation and Net Income</p> <p>Euro Class Z– Net Accumulation and Net Income</p> <p>Euro Class ZS– Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class AS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C S– Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class JS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p> <p>U.S. Dollar Class ZS – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class AS – Net Accumulation and Net Income</p> <p>Swiss Franc Class C – Net Accumulation and Net Income</p> <p>Swiss Franc Class CS – Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation and Net Income</p> <p>Swiss Franc Class JS – Net Accumulation and Net Income</p> <p>Swiss Franc Class Z – Net Accumulation and Net Income</p> <p>Swiss Franc Class ZS – Net Accumulation and Net Income</p>

Singapore Dollar Class A–Net Accumulation and Net Income

Singapore Dollar Class AS–Net Accumulation and Net Income

Singapore Dollar Class C–Net Accumulation and Net Income

Singapore Dollar Class CS–Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class JS – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

Singapore Dollar Class Z S– Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>
Lump sum holding	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Regular saving (per month)	<p>Class A/AS: €75</p> <p>Class B/BS: n/a</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: CHF200,000,000</p> <p>Class Z/ZS: CHF20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>
Lump sum holding	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: CHF200,000,000</p> <p>Class Z/ZS: CHF20,000,000</p>
Regular saving (per month)	<p>Class A/AS: \$75</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Regular saving (per month)	Class A/AS: CHF75 Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class J/JS: 3.25% Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.5% Class B/BS: 2% Class C/CS: 0.75% Class J/JS: up to 0.75% Class Z/ZS: nil
Administration charge	Class A/AS: 0.15% Class B/BS: 0.15% Class C/CS: 0.15% Class J/JS: 0.15% Class Z/ZS: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Japanese Yen
Product Reference Number:	640871

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 6 April 1971.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.8 M&G Japan Smaller Companies Fund.

#### Investment objective and policy.

The Fund invests wholly or predominantly in securities of smaller Japanese companies, the universe for which is the bottom third in terms of total market capitalisation of all publicly listed equity in Japan. When not wholly invested as above, the Fund may also invest in medium sized and larger companies in order to enhance its liquidity. Its sole objective is long term capital growth.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: Russell Nomura Mid-Small Cap Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Available share classes/types:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class AS – Net Accumulation and Net Income</p> <p>Euro Class B– Net Accumulation and Net Income</p> <p>Euro Class BS– Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class CS – Net Accumulation and Net Income</p> <p>Euro Class J– Net Accumulation and Net Income</p> <p>Euro Class JS– Net Accumulation and Net Income</p> <p>Euro Class Z– Net Accumulation and Net Income</p> <p>Euro Class ZS– Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class AS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class CS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class JS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p> <p>U.S. Dollar Class ZS – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class AS – Net Accumulation and Net Income</p> <p>Swiss Franc Class C – Net Accumulation and Net Income</p> <p>Swiss Franc Class CS – Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation</p> <p>Swiss Franc Class JS – Net Accumulation</p> <p>Swiss Franc Class Z – Net Accumulation</p> <p>Swiss Franc Class ZS – Net Accumulation</p>

Singapore Dollar Class A–Net Accumulation and Net Income

Singapore Dollar Class AS–Net Accumulation and Net Income

Singapore Dollar Class C–Net Accumulation and Net Income

Singapore Dollar Class CS–Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class JS – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

Singapore Dollar Class ZS – Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>
Lump sum holding	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Regular saving (per month)	<p>Class A/AS: €75</p> <p>Class B/BS: n/a</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>
Lump sum holding	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Regular saving (per month)	<p>Class A/AS: \$75</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Regular saving (per month)	Class A/AS: CHF75 Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class J/JS: 3.25% Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.5% Class B/BS: 2% Class C/CS: 0.75% Class J/JS: up to 0.75% Class Z/ZS: nil
Administration Charge	Class A/AS: 0.15% Class B/BS: 0.15% Class C/CS: 0.15% Class J/JS: 0.15% Class Z/ZS: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying Fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Japanese Yen
Product Reference Number:	640867

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued.

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 15 May 1984.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.9 M&G North American Dividend Fund.

#### Investment objective

The Fund aims to maximise total return (the combination of capital growth and income) whilst aiming to grow distributions over the long term.

#### Investment policy

The Fund will invest mainly in North American equities and may invest across all sectors and market capitalisations. The Fund may also invest in transferable securities issued by companies which are listed, registered or trading within North America and in collective investment schemes. Cash and near cash may be held for ancillary purposes and derivatives, including warrants, may be used for efficient portfolio management and hedging purposes.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: S&P 500 Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December (final); 31 March(interim); 30 June (interim); 30 September (interim)

Share Classes /types in issue or available for issue\*:

Euro Class A – Net Accumulation and Net Income  
 Euro Class AS – Net Accumulation and Net Income  
 Euro Class A-H (hedged) – Net Accumulation and Net Income  
 Euro Class AS-H (hedged) – Net Accumulation and Net Income  
 Euro Class B – Net Accumulation and Net Income  
 Euro Class BS – Net Accumulation and Net Income  
 Euro Class C – Net Accumulation and Net Income  
 Euro Class CS – Net Accumulation and Net Income  
 Euro Class C-H (hedged) – Net Accumulation and Net Income  
 Euro Class CS-H (hedged) – Net Accumulation and Net Income  
 Euro Class J– Gross Accumulation and Gross Income  
 Euro Class JS– Gross Accumulation and Gross Income  
 Euro Class J-H (hedged) – Gross Accumulation and Gross Income  
 Euro Class JS-H (hedged) – Gross Accumulation and Gross Income  
 Euro Class Z– Gross Accumulation and Gross Income  
 Euro Class ZS– Gross Accumulation and Gross Income  
 Euro Class Z-H (hedged) – Gross Accumulation and Gross Income  
 Euro Class ZS-H (hedged) – Gross Accumulation and Gross Income

U.S. Dollar Class A – Net Accumulation and Net Income  
 U.S. Dollar Class AS – Net Accumulation and Net Income  
 U.S. Dollar Class A2 – Net Accumulation and Net Income  
 U.S. Dollar Class C – Net Accumulation and Net Income  
 U.S. Dollar Class CS – Net Accumulation and Net Income  
 U.S. Dollar Class J – Gross Accumulation and Gross Income  
 U.S. Dollar Class JS – Gross Accumulation and Gross Income  
 U.S. Dollar J-H (hedged) – Gross Accumulation and Gross Income  
 U.S. Dollar JS-H (hedged) – Gross Accumulation and Gross Income  
 U.S. Dollar Class Z – Gross Accumulation and Gross Income  
 U.S. Dollar Class ZS – Gross Accumulation and Gross Income  
 U.S. Dollar Class Z-H (hedged) – Gross Accumulation and Gross Income  
 U.S. Dollar Class ZS-H (hedged) – Gross Accumulation and Gross Income

Swiss Franc Class A – Net Accumulation and Net Income  
 Swiss Franc Class AS – Net Accumulation and Net Income  
 Swiss Franc Class A-H (hedged) – Net Accumulation and Net Income  
 Swiss Franc Class AS-H (hedged) – Net Accumulation and Net Income  
 Swiss Franc Class C – Net Accumulation and Net Income  
 Swiss Franc Class CS – Net Accumulation and Net Income  
 Swiss Franc Class C-H (hedged) – Net Accumulation and Net Income  
 Swiss Franc Class CS-H (hedged) – Net Accumulation and Net Income  
 Swiss Franc Class J – Gross Accumulation and Gross Income  
 Swiss Franc Class JS – Gross Accumulation and Gross Income  
 Swiss Franc Class J-H (hedged) – Gross Accumulation and Gross Income  
 Swiss Franc Class JS-H (hedged) – Gross Accumulation and Gross Income  
 Swiss Franc Class Z – Gross Accumulation and Gross Income  
 Swiss Franc Class ZS – Gross Accumulation and Gross Income  
 Swiss Franc Class Z-H (hedged) – Gross Accumulation and Gross Income  
 Swiss Franc Class ZS-H (hedged) – Gross Accumulation and Gross Income



# Appendix 4 –

## Information on non-sterling Share Classes

Singapore Dollar Class A–Net Accumulation and Net Income  
 Singapore Dollar Class AS–Net Accumulation and Net Income  
 Singapore Dollar Class A-H (hedged) – Net Accumulation and Net Income  
 Singapore Dollar Class AS-H (hedged) – Net Accumulation and Net Income  
 Singapore Dollar Class C–Net Accumulation and Net Income  
 Singapore Dollar Class CS–Net Accumulation and Net Income  
 Singapore Dollar Class C-H (hedged)– Net Accumulation and Net Income  
 Singapore Dollar Class CS-H (hedged)– Net Accumulation and Net Income  
 Singapore Dollar Class J–Net Accumulation and Net Income  
 Singapore Dollar Class JS–Net Accumulation and Net Income  
 Singapore Dollar Class J-H (hedged) –Net Accumulation and Net Income  
 Singapore Dollar Class JS-H (hedged) –Net Accumulation and Net Income  
 Singapore Dollar Class Z– Net Accumulation and Net Income  
 Singapore Dollar Class ZS– Net Accumulation and Net Income  
 Singapore Dollar Class Z-H (hedged) – Net Accumulation and Net Income  
 Singapore Dollar Class ZS-H (hedged) – Net Accumulation and Net Income

### Investment minima (Euro Share Classes)

Lump sum initial investment	Class A/AS: €1,000 Class A-H/AS-H: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class C-H/CS-H: €500,000 Class J/JS: €200,000,000 Class J-H/JS-H: €200,000,000 Class Z/ZS: €20,000,000 Class Z-H/ZS-H: €20,000,000
Lump sum subsequent investment	Class A/AS: €75 Class A-H/AS-H: €75 Class B/BS: €75 Class C/CS: €50,000 Class C-H/CS-H: €50,000 Class J/JS: €500,000 Class J-H/JS-H: €500,000 Class Z/ZS: €500,000 Class Z-H/ZS-H: €500,000
Lump sum holding	Class A/AS: €1,000 Class A-H/AS-H: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class C-H/CS-H: €500,000 Class J/JS: €200,000,000 Class J-H/JS-H: €200,000,000 Class Z/ZS: €20,000,000 Class Z-H/ZS-H: €20,000,000
Regular saving (per month)	Class A/AS: €75 Class A-H/AS-H: n/a Class B/BS: n/a Class C/CS: n/a Class C-H/CS-H: n/a Class J/JS: n/a Class J-H/JS-H: n/a Class Z/ZS: n/a Class Z-H/ZS-H: n/a

Redemption	Class A/AS: €75 Class A-H/AS-H: €75 Class B/BS: €75 Class C/CS: €50,000 Class C-H/CS-H: €50,000 Class J/JS: €500,000 Class J-H/JS-H: €500,000 Class Z/ZS: €500,000 Class Z-H/ZS-H: €500,000
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### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	Class A/AS: \$1,000 Class A2 : \$20,000,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class J-H/JS-H: \$200,000,000 Class Z/ZS: \$20,000,000 Class Z-H/ZS-H: \$20,000,000
Lump sum subsequent investment	Class A/AS: \$75 Class A2 : \$50,000 Class C/CS: \$50,000 Class J/JS: \$500,000 Class J-H/JS-H: \$500,000 Class Z/ZS: \$500,000 Class Z-H/ZS-H: \$500,000
Lump sum holding	Class A/AS: \$1,000 Class A2 : \$1,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class J-H/JS-H: \$200,000,000 Class Z/ZS: \$20,000,000 Class Z-H/ZS-H: \$20,000,000
Regular saving (per month)	Class A/AS: \$75 Class A2 : \$75 Class C/CS: \$ n/a Class J/JS: n/a Class J-H/JS-H: n/a Class Z/ZS: n/a Class Z-H/ZS-H: n/a
Redemption	Class A/AS: \$75 Class A2 : \$75 Class C/CS: \$50,000 Class J/JS: \$500,000 Class J-H/JS-H: \$500,000 Class Z/ZS: \$500,000 Class Z-H/ZS-H: \$500,000

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class A-H/AS-H: CHF1,000 Class C/CS: CHF500,000 Class C-H/CS-H: CHF500,000 Class J/JS: CHF200,000,000 Class J-H/JS-H: CHF200,000,000 Class Z/ZS: CHF20,000,000 Class Z-H/ZS-H: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class A-H/AS-H: CHF75 Class C/CS: CHF50,000 Class C-H/CS-H: CHF50,000 Class J/JS: CHF500,000 Class J-H/JS-H: CHF500,000 Class Z/ZS: CHF500,000 Class Z-H/ZS-H: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class A-H/AS-H: CHF1,000 Class C/CS: CHF500,000 Class C-H/CS-H: CHF500,000 Class J/JS: CHF200,000,000 Class J-H/JS-H: CHF200,000,000 Class Z/ZS: CHF20,000,000 Class Z-H/ZS-H: CHF20,000,000
Regular saving (per month)	Class A/AS: CHF75 Class A-H/AS-H: n/a Class C/CS: n/a Class C-H/CS-H: n/a Class J/JS: n/a Class J-H/JS-H: n/a Class Z/ZS: n/a Class Z-H/ZS-H: n/a
Redemption	Class A/AS: CHF75 Class A-H/AS-H: CHF75 Class C/CS: CHF50,000 Class C-H/CS-H: CHF50,000 Class J/JS: CHF500,000 Class J-H/JS-H: CHF500,000 Class Z/ZS: CHF500,000 Class Z-H/ZS-H: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class A-H/AS-H: S\$1,000 Class C/CS: \$500,000 Class C-H/CS-H: \$500,000 Class J/JS: S\$200,000,000 Class J-H/JS-H: S\$200,000,000 Class Z/ZS: S\$20,000,000 Class Z-H/ZS-H: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class A-H/AS-H: S\$75 Class C/CS: S\$50,000 Class C-H/CS-H: S\$50,000 Class J/JS: S\$500,000 Class J-H/JS-H: S\$500,000 Class Z/ZS: S\$500,000 Class Z-H/ZS-H: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class A-H/AS-H: S\$1,000 Class C/CS: S\$500,000 Class C-H/CS-H: S\$500,000 Class J/JS: S\$200,000,000 Class J-H/JS-H: S\$200,000,000 Class Z/ZS: S\$20,000,000 Class Z-H/ZS-H: S\$20,000,000

Redemption	Class A/AS: S\$75 Class A-H/AS-H: S\$75 Class C/CS: S\$50,000 Class C-H/CS-H: S\$50,000 Class J/JS: S\$500,000 Class J-H/JS-H: S\$500,000 Class Z/ZS: S\$500,000 Class Z-H/ZS-H: S\$500,000
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### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class A2 : 5.25% Class A-H/AS-H: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class C-H/CS-H: 3.25% Class J/JS: 3.25% Class J-H/JS-H: 3.25% Class Z/ZS: 3.25% Class Z-H/ZS-H: 3.25%
Redemption charge	Class A/AS: n/a Class A2 : n/a Class A-H/AS-H: n/a Class B/BS: n/a Class C/CS: n/a Class C-H/CS-H: n/a Class J/JS: n/a Class J-H/JS-H: n/a Class Z/ZS: n/a Class Z-H/ZS-H: n/a
Annual Management Charge	Class A/AS: 1.5% Class A2 : 1.5% Class A-H/AS-H: 1.5% Class B/BS: 2% Class C/CS: 0.75% Class C-H/CS-H: 0.75% Class J/JS: up to 0.75% Class J-H/JS-H: up to 0.75% Class Z/ZS: nil Class Z-H/ZS-H: nil
Administration Charge	Class A/AS: 0.15% Class A2 : 0.15% Class A-H/AS-H: 0.15% Class B/BS: 0.15% Class C/CS: 0.15% Class C-H/CS-H: 0.15% Class J/JS: 0.15% Class J-H/JS-H: 0.15% Class Z/ZS: 0.15% Class Z-H/ZS-H: 0.15%
ACD's share class hedging fee	Class A-H/AS-H: 0.01% to 0.055% Class C-H/CS-H: 0.01% to 0.055% Class J-H/JS-H: 0.01% to 0.055% Class Z-H/ZS-H: 0.01% to 0.055%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

# Appendix 4 –

## Information on non-sterling Share Classes

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	100% to Income	100% to Capital
Depository's Charge	100% to Capital	100% to Capital
Annual Custody Charge	100% to Capital	100% to Capital
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Capital	100% to Capital
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	U.S. Dollar
Product Reference Number:	640872

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 18 December 1972. The last significant change to the Fund's investment objective and/or investment policy occurred on 28 April 2015.

# Appendix 4 –

## Information on non-sterling Share Classes

### 4.10 M&G North American Value Fund.

#### Investment objective and policy.

The Fund aims to achieve long-term capital growth through investment in North American securities of North American companies using a value based investment philosophy.

Other Information:  
The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

#### Performance Comparator: S&P 500 Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December
Share classes/types in issue or available for issue*:	<p>Euro Class A – Net Accumulation and Net Income</p> <p>Euro Class AS – Net Accumulation and Net Income</p> <p>Euro Class B – Net Accumulation and Net Income</p> <p>Euro Class BS – Net Accumulation and Net Income</p> <p>Euro Class C – Net Accumulation and Net Income</p> <p>Euro Class CS – Net Accumulation and Net Income</p> <p>Euro Class J – Net Accumulation and Net Income</p> <p>Euro Class JS – Net Accumulation and Net Income</p> <p>Euro Class Z – Net Accumulation and Net Income</p> <p>Euro Class ZS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class A – Net Accumulation and Net Income</p> <p>U.S. Dollar Class AS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class C – Net Accumulation and Net Income</p> <p>U.S. Dollar Class CS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class J – Net Accumulation and Net Income</p> <p>U.S. Dollar Class JS – Net Accumulation and Net Income</p> <p>U.S. Dollar Class Z – Net Accumulation and Net Income</p> <p>U.S. Dollar Class ZS – Net Accumulation and Net Income</p> <p>Swiss Franc Class A – Net Accumulation and Net Income</p> <p>Swiss Franc Class AS – Net Accumulation and Net Income</p> <p>Swiss Franc Class C – Net Accumulation and Net Income</p> <p>Swiss Franc Class CS – Net Accumulation and Net Income</p> <p>Swiss Franc Class J – Net Accumulation and Net Income</p> <p>Swiss Franc Class JS – Net Accumulation and Net Income</p> <p>Swiss Franc Class Z – Net Accumulation and Net Income</p> <p>Swiss Franc Class ZS – Net Accumulation and Net Income</p>

Singapore Dollar Class A – Net Accumulation and Net Income

Singapore Dollar Class AS – Net Accumulation and Net Income

Singapore Dollar Class C – Net Accumulation and Net Income

Singapore Dollar Class CS – Net Accumulation and Net Income

Singapore Dollar Class J – Net Accumulation and Net Income

Singapore Dollar Class JS – Net Accumulation and Net Income

Singapore Dollar Class Z – Net Accumulation and Net Income

Singapore Dollar Class ZS – Net Accumulation and Net Income

#### Investment minima (Euro Share Classes)

Lump sum initial investment	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>
Lump sum holding	<p>Class A/AS: €1,000</p> <p>Class B/BS: €1,000</p> <p>Class C/CS: €500,000</p> <p>Class J/JS: €200,000,000</p> <p>Class Z/ZS: €20,000,000</p>
Regular saving (per month)	<p>Class A/AS: €75</p> <p>Class B/BS: n/a</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: €75</p> <p>Class B/BS: €75</p> <p>Class C/CS: €50,000</p> <p>Class J/JS: €500,000</p> <p>Class Z/ZS: €500,000</p>

#### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Lump sum subsequent investment	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>
Lump sum holding	<p>Class A/AS: \$1,000</p> <p>Class C/CS: \$500,000</p> <p>Class J/JS: \$200,000,000</p> <p>Class Z/ZS: \$20,000,000</p>
Regular saving (per month)	<p>Class A/AS: \$75</p> <p>Class C/CS: n/a</p> <p>Class J/JS: n/a</p> <p>Class Z/ZS: n/a</p>
Redemption	<p>Class A/AS: \$75</p> <p>Class C/CS: \$50,000</p> <p>Class J/JS: \$500,000</p> <p>Class Z/ZS: \$500,000</p>

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Regular saving (per month)	Class A/AS: CHF75 Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class J/JS: 3.25% Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.5% Class B/BS: 2% Class C/CS: 0.75% Class J/JS: up to 0.75% Class Z/ZS: nil
Administration Charge	Class A/AS: 0.15% Class B/BS: 0.15% Class C/CS: 0.15% Class J/JS: 0.15% Class Z/ZS: 0.15%
Depository Charge	See section 28.4
Custody Charge	See section 28.5
Custody Transaction Charges	See section 28.6

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 July 2005
Valuation Currency:	U.S. Dollar
Product Reference Number:	640874

\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued



# Appendix 4 –

## Information on non-sterling Share Classes

### 4.11 M&G Pan European Select Fund.

#### Investment objective:

The Fund aims to provide a total return (the combination of capital growth and income).

#### Investment policy:

The Fund will invest at least 80% in equity securities of companies that are domiciled in, or conducting the major part of their economic activity in any European country. The Fund has a concentrated portfolio and usually holds fewer than 35 stocks.

The Fund is based on an investment process that uses fundamental analysis to identify competitively advantaged companies with sustainable business models.

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.

The Fund may also invest in other transferable securities, directly or via collective investment schemes and may hold cash for liquidity purposes. Collective investment schemes may include funds managed by M&G.

Derivatives may be used for efficient portfolio management.

#### 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 fund manager invests in these businesses where short-term issues have provided a clear valuation opportunity.

Sustainability considerations are fully integrated into the investment process.

The fund 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.

Other Information:

The Fund is not a feeder UCITS and will not hold units in a feeder UCITS.

Performance Comparator: MSCI Europe Index

The Fund is actively managed. The index is a point of reference against which the performance of the Fund may be measured.

Accounting reference date:	31 August
Income allocation date:	On or before 31 December (Final); 30 June (Interim)

Share classes/types in issue or available for issue\*:

Euro Class A – Net Accumulation and Net Income
Euro Class AS – Net Accumulation and Net Income
Euro Class B – Net Accumulation and Net Income
Euro Class BS – Net Accumulation and Net Income
Euro Class C – Net Accumulation and Net Income
Euro Class CS – Net Accumulation and Net Income
Euro Class J – Net Accumulation and Net Income
Euro Class JS – Net Accumulation and Net Income
Euro Class Z – Net Accumulation and Net Income
Euro Class ZS – Net Accumulation and Net Income
U.S. Dollar Class A – Net Accumulation and Net Income
U.S. Dollar Class AS – Net Accumulation and Net Income
U.S. Dollar Class C – Net Accumulation and Net Income
U.S. Dollar Class CS – Net Accumulation and Net Income
U.S. Dollar Class J – Net Accumulation and Net Income
U.S. Dollar Class JS – Net Accumulation and Net Income
U.S. Dollar Class Z – Net Accumulation and Net Income
U.S. Dollar Class ZS – Net Accumulation and Net Income
Swiss Franc Class A – Net Accumulation and Net Income
Swiss Franc Class AS – Net Accumulation and Net Income
Swiss Franc Class C – Net Accumulation and Net Income
Swiss Franc Class CS – Net Accumulation and Net Income
Swiss Franc Class J – Net Accumulation and Net Income
Swiss Franc Class JS – Net Accumulation and Net Income
Swiss Franc Class Z – Net Accumulation and Net Income
Swiss Franc Class ZS – Net Accumulation and Net Income
Singapore Dollar Class A – Net Accumulation and Net Income
Singapore Dollar Class AS – Net Accumulation and Net Income
Singapore Dollar Class C – Net Accumulation and Net Income
Singapore Dollar Class CS – Net Accumulation and Net Income
Singapore Dollar Class J – Net Accumulation and Net Income
Singapore Dollar Class JS – Net Accumulation and Net Income
Singapore Dollar Class Z – Net Accumulation and Net Income
Singapore Dollar Class ZS – Net Accumulation and Net Income

# Appendix 4 –

## Information on non-sterling Share Classes

### Investment minima (Euro Share Classes)

Lump sum initial investment	Class A/AS: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class J/JS: €200,000,000 Class Z/ZS: €20,000,000
Lump sum subsequent investment	Class A/AS: €75 Class B/BS: €75 Class C/CS: €50,000 Class J/JS: €500,000 Class Z/ZS: €500,000
Lump sum holding	Class A/AS: €1,000 Class B/BS: €1,000 Class C/CS: €500,000 Class J/JS: €200,000,000 Class Z/ZS: €20,000,000
Regular saving (per month)	Class A/AS: €75 Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: €75 Class B/BS: €75 Class C/CS: €50,000 Class J/JS: €500,000 Class Z/ZS: €500,000

### Investment minima (U.S. Dollar Share Classes)

Lump sum initial investment	Class A/AS: \$1,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class Z/ZS: \$20,000,000
Lump sum subsequent investment	Class A/AS: \$75 Class C/CS: \$50,000 Class J/JS: \$500,000 Class Z/ZS: \$500,000
Lump sum holding	Class A/AS: \$1,000 Class C/CS: \$500,000 Class J/JS: \$200,000,000 Class Z/ZS: \$20,000,000
Regular saving (per month)	Class A/AS: \$75 Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: \$75 Class C/CS: \$50,000 Class J/JS: \$500,000 Class Z/ZS: \$500,000

### Investment minima (Swiss Franc Share Classes)

Lump sum initial investment	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Lump sum subsequent investment	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000
Lump sum holding	Class A/AS: CHF1,000 Class C/CS: CHF500,000 Class J/JS: CHF200,000,000 Class Z/ZS: CHF20,000,000
Regular saving (per month)	Class A/AS: CHF75 Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Redemption	Class A/AS: CHF75 Class C/CS: CHF50,000 Class J/JS: CHF500,000 Class Z/ZS: CHF500,000

### Investment minima (Singapore Dollar Share Classes)

Lump sum initial investment	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Lump sum subsequent investment	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000
Lump sum holding	Class A/AS: S\$1,000 Class C/CS: S\$500,000 Class J/JS: S\$200,000,000 Class Z/ZS: S\$20,000,000
Redemption	Class A/AS: S\$75 Class C/CS: S\$50,000 Class J/JS: S\$500,000 Class Z/ZS: S\$500,000

### Charges and Expenses (Euro, U.S. Dollar, Swiss Franc and Singapore Dollar Share Classes)

Initial charge	Class A/AS: 5.25% Class B/BS: n/a Class C/CS: 3.25% Class J/JS: 3.25% Class Z/ZS: 3.25%
Redemption charge	Class A/AS: n/a Class B/BS: n/a Class C/CS: n/a Class J/JS: n/a Class Z/ZS: n/a
Annual Management Charge	Class A/AS: 1.5% Class B/BS: 2% Class C/CS: 0.75% Class J/JS: up to 0.75% Class Z/ZS: nil
Administration Charge	Class A/AS: 0.15% Class B/BS: 0.15% Class J/JS: 0.15% Class Z/ZS: 0.15% Class C/CS: 0.15%

# Appendix 4 –

## Information on non-sterling Share Classes

### Allocation of Charges

	Accumulation Shares	Income Shares
Annual Management Charge	100% to Income	100% to Capital
Administration Charge	100% to Income	100% to Capital
Share Class Hedging Charge	N/A	N/A
Depository's Charge	100% to Income	100% to Income
Annual Custody Charge	100% to Income	100% to Income
Custody Transaction Charges	100% to Capital	100% to Capital
Expenses	100% to Income	100% to Income
Portfolio Transaction Charges	100% to Capital	100% to Capital

Please note the above Charges and Expenses section is a summary and does not set out all charges and expenses payable by the Sub-funds. For further detail and an explanation of the terms used, please see section 28 above.

Where the Fund invests in another M&G Group scheme, M&G will fully rebate the annual management charge of the underlying fund.

### Investor Profile

This Fund is suitable for all types of investors, with basic investment knowledge, seeking to invest in an actively managed fund pursuing the objective and investment policy of the Fund as described above. Investors should be looking to invest for at least five years and 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.

Investment Manager:	M&G Investment Management Limited
Valuation point:	12.00 noon UK time
Launch date:	1 November 2001**
Valuation Currency:	Euro
Product Reference Number:	640865

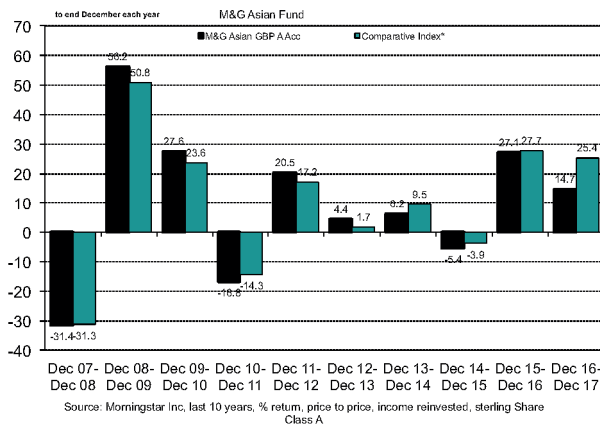
\* Please see [www.mandg.com/classesinissue](http://www.mandg.com/classesinissue) for details of which share classes are currently being issued

\*\* The Fund was created as the result of the conversion of a similarly named unit trust which had been launched on 29 September 1989.

# Appendix 5 –

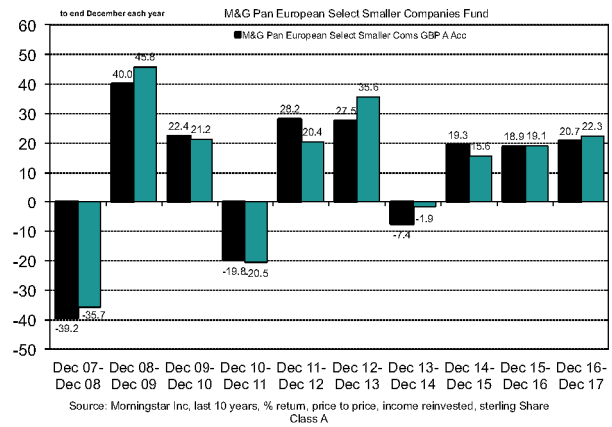
## Performance Bar Charts

### M&G Asian Fund Bar Chart



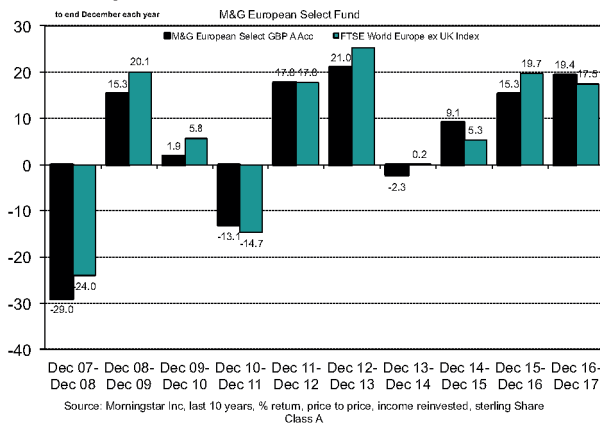
The cumulative performance over the last 10 years is 109.4 %  
 The cumulative performance for the Comparative Index\* is 120.5%  
 Past performance shown from 31 December 2007 to 30 June 2011 is the MSCI AC Far East Ex Japan Index. Past performance shown from 01 July 2011 is the MSCI AC Asia Pacific ex Japan Index.

### M&G Pan European Select Smaller Companies Fund Bar Chart



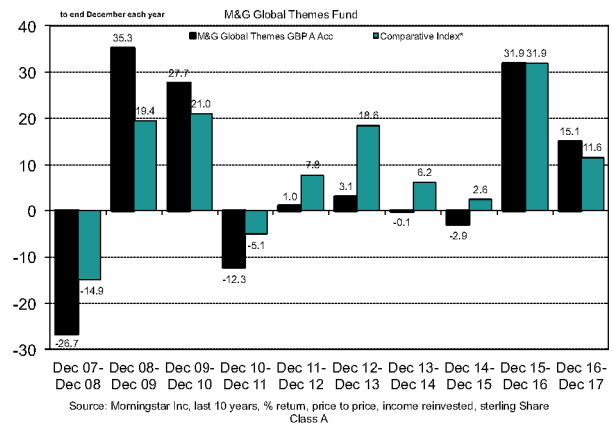
The cumulative performance over the last 10 years is 116.4  
 The cumulative performance for the EMIX Smaller European Companies Index is 143.7%

### M&G European Select Fund Bar Chart



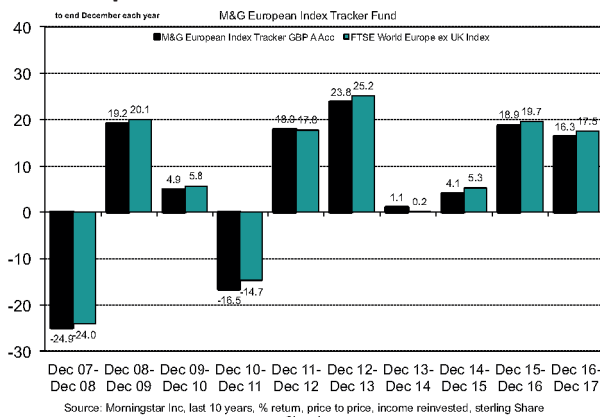
The cumulative performance over the last 10 years is 51.8  
 The cumulative performance for the FTSE World Europe ex UK Index is 80.2%

### M&G Global Themes Fund Bar Chart



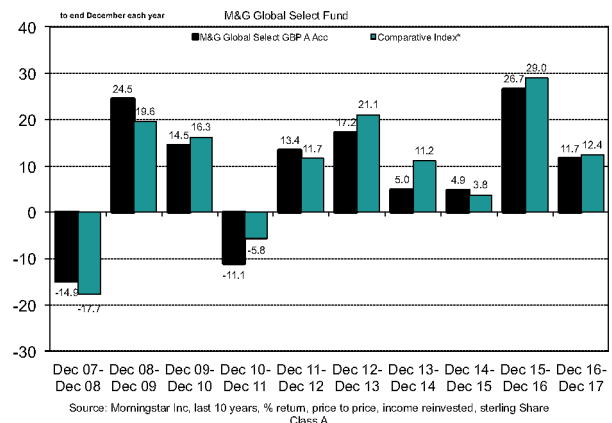
The cumulative performance over the last 10 years is 70.2 %  
 The cumulative performance for the Comparative Index\* is 139.2%  
 Past performance shown from 31 December 2007 to 16 November 2017 is the FTSE Global Basics Composite Index (comprising of all subsectors of the FTSE World Index except media, IT, telecommunications, financials and healthcare).  
 Past performance shown from 17 November 2017 is the MSCI ACWI Index.

### M&G European Index Tracker Fund Bar Chart



The cumulative performance over the last 10 years is 66.7%  
 The cumulative performance for the FTSE World Europe Ex-UK Index is 80.2%

### M&G Global Select Fund Bar Chart

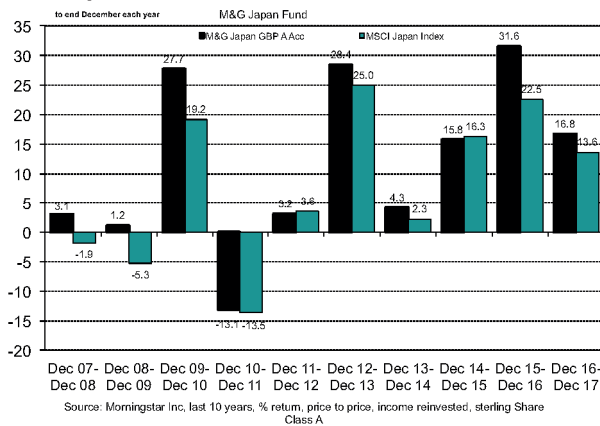


The cumulative performance over the last 10 years is 123.1%  
 The cumulative performance for the Comparative Index\* is 144.5%  
 Past performance shown from 31 December 2007 to 29 September 2008 is the FTSE World Index Ex UK Index. Past performance shown from the 30 September 2008 to 31 December 2011 is the FTSE World Index.  
 Past performance shown from 05 January 2012 to 31 December 2015 is the MSCI ACWI Index. Past performance shown from 05 January 2016 is the MSCI World Index.

# Appendix 5 –

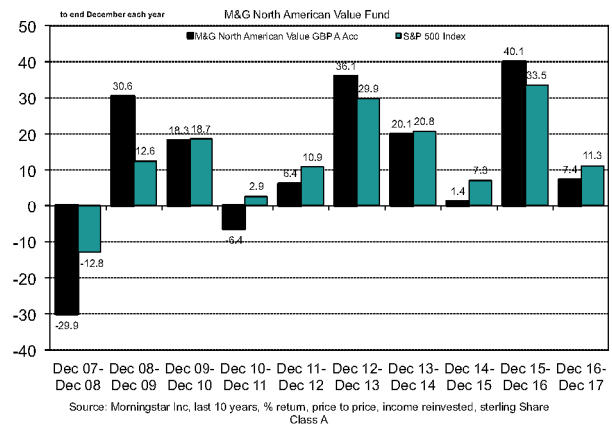
## Performance Bar Charts

### M&G Japan Fund Bar Chart



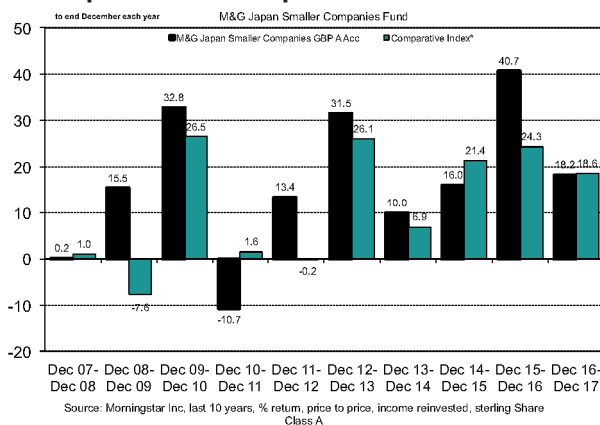
The cumulative performance over the last 10 years is 184.1%  
The cumulative performance for the MSCI Japan Index is 105.4%

### M&G North American Value Fund Bar Chart



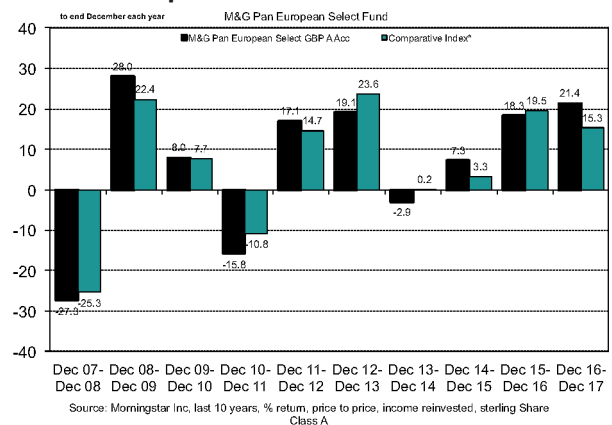
The cumulative performance since launch is 169.0 %  
The cumulative performance for the S&P 500 Index is 232.6%

### M&G Japan Smaller Companies Fund Bar Chart



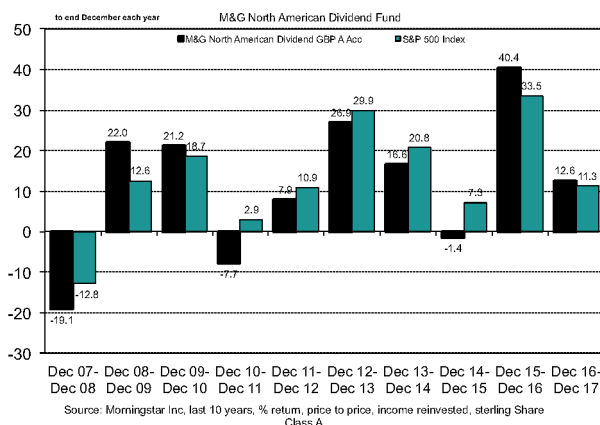
The cumulative performance over the last 10 years is 335.0 %  
The cumulative performance for the Comparative Index\* is 188.4%  
Past performance shown from 31 December 2007 to 27 March 2013 is the TSE Second Section Index. Past performance shown from 28 March 2013 is the Russell/Nomura Mid-Small Cap Index.

### M&G Pan European Select Fund Bar Chart



The cumulative performance over the last 10 years is 76.6%  
The cumulative performance for the Comparative Index\* is 77.7%  
Past performance shown from 31 December 2007 to 31 December 2011 is the FTSE World Europe Index. Past performance shown from 05 January 2012 is the MSCI Europe Index.

### M&G North American Dividend Fund Bar Chart\*

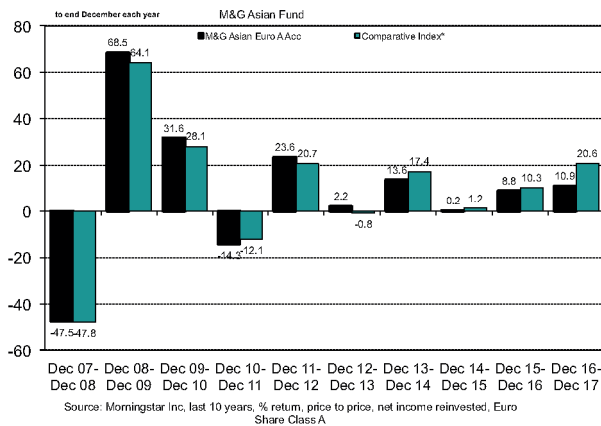


The cumulative performance over the last 10 years is 175.0%  
The cumulative performance for the S&P 500 Index is 232.6%

# Appendix 5a –

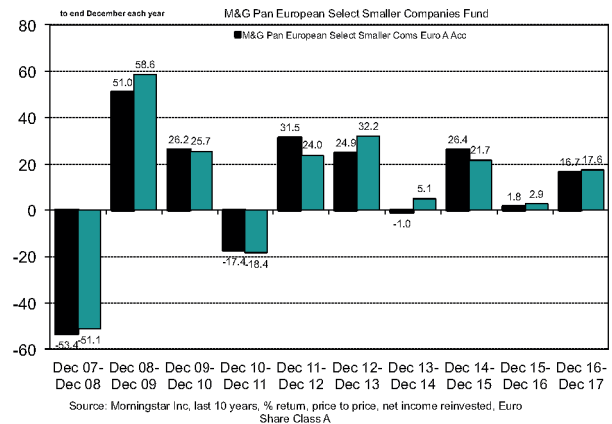
## Euro performance bar charts

### M&G Asian Fund Bar Chart



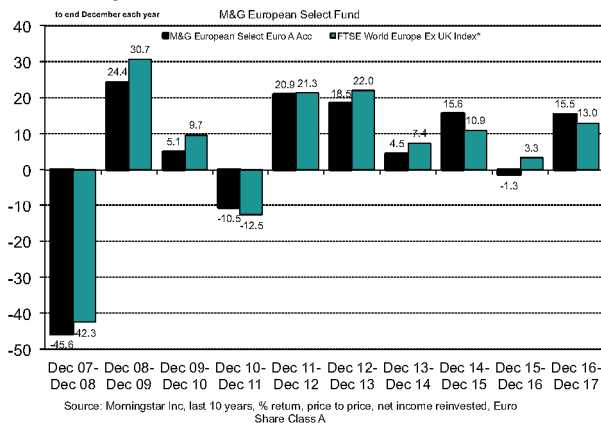
The cumulative performance over the last 10 years is 73.4%  
 The cumulative performance for the Comparative Index\* is 82.5%  
 Past performance shown from 31 December 2007 to 30 June 2011 is the MSCI AC Far East Ex Japan Index. Past performance shown from 01 July 2011 is the MSCI AC Asia Pacific ex Japan Index.

### M&G Pan European Select Smaller Companies Fund Bar Chart



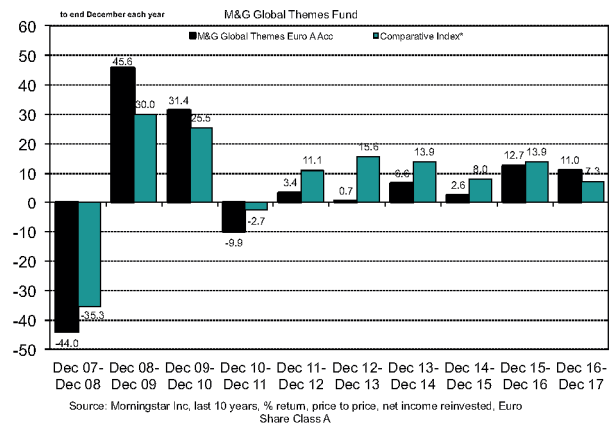
The cumulative performance over the last 10 years is 79.2 %  
 The cumulative performance for the EMIX European Smaller Companies Index is 101.7%

### M&G European Select Fund Bar Chart



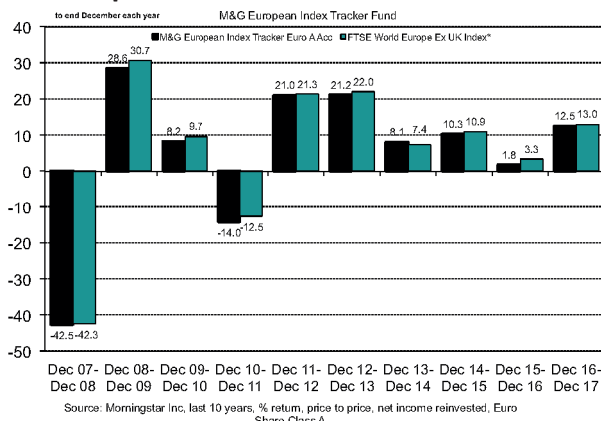
The cumulative performance over the last 10 years is 25.7 %  
 The cumulative performance for the FTSE World Europe ex UK Index is 49.1%

### M&G Global Themes Fund Bar Chart



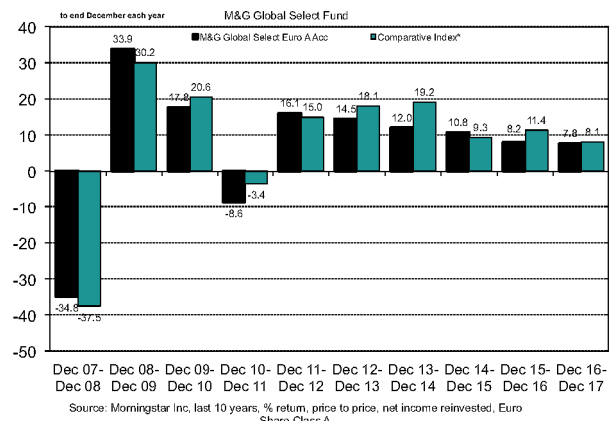
The cumulative performance over the last 10 years is 37.4 %  
 The cumulative performance for the Comparative Index\* is 97.9%  
 Past performance shown from 31 December 2007 to 16 November 2017 is the FTSE Global Basics Composite Index (comprising of all subsectors of the FTSE World Index except media, IT, telecommunications, financials and healthcare). Past performance shown from 17 November 2017 is the MSCI ACWI Index.

### M&G European Index Tracker Fund Bar Chart



The cumulative performance over the last 10 years is 38.0%  
 The cumulative performance for the FTSE World Europe Ex-UK Index is 49.1%

### M&G Global Select Fund Bar Chart



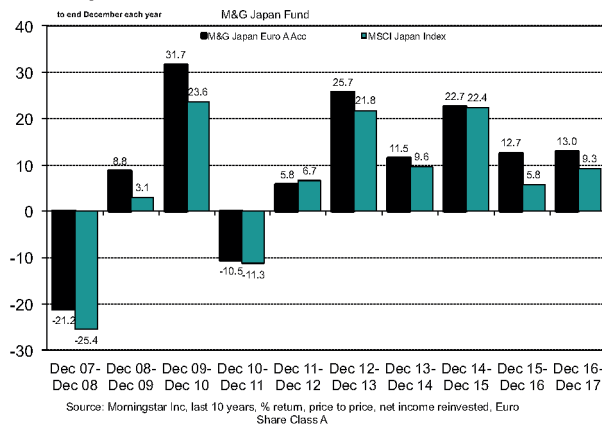
The cumulative performance over the last 10 years is 80.6 %  
 The cumulative performance for the Comparative Index\* is 102.3%  
 Past performance shown from 31 December 2007 to 29 September 2008 is the FTSE World Index Ex UK Index. Past performance shown from the 30 September 2008 to 31 December 2011 is the FTSE World Index. Past performance shown from 05 January 2012 to 31 December 2015 is the MSCI ACWI Index. Past performance shown from 05 January 2016 is the MSCI World Index.



# Appendix 5a –

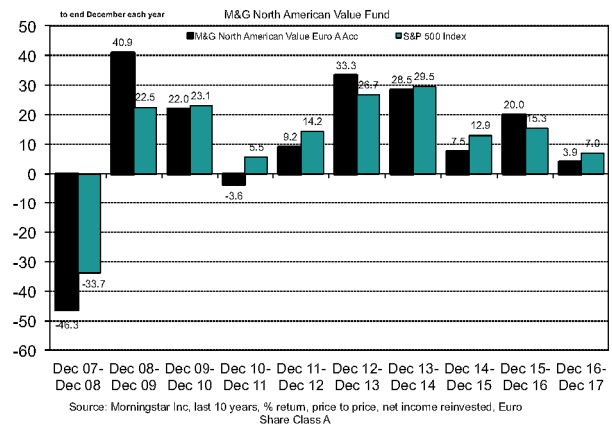
## Euro performance bar charts

### M&G Japan Fund Bar Chart



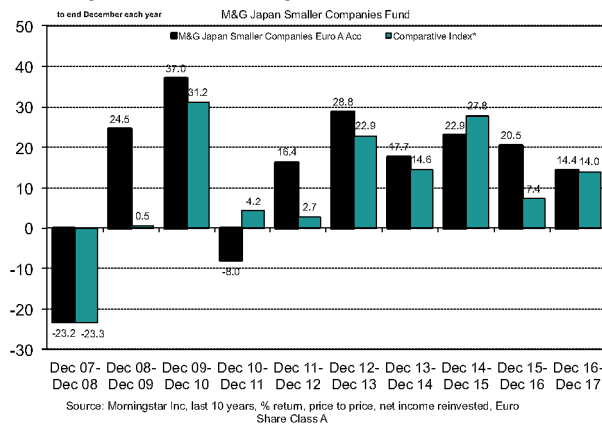
The cumulative performance over the last 10 years is 134.1%  
 The cumulative performance for the MSCI Japan Index is 70.0%

### M&G North American Value Fund Bar Chart



The cumulative performance since launch is 122.7%  
 The cumulative performance for the S&P 500 Index is 175.2%

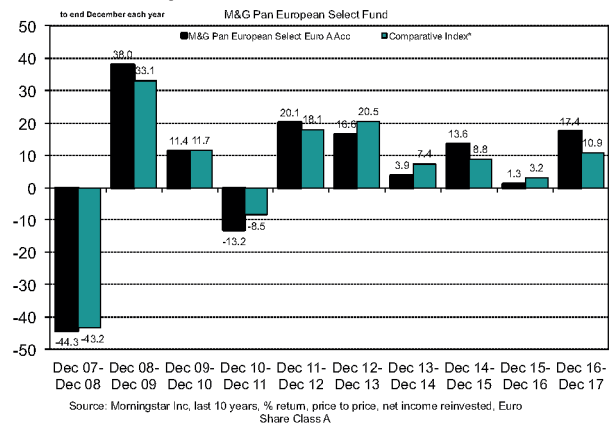
### M&G Japan Smaller Companies Fund Bar Chart



The cumulative performance over the last 10 years is 260.3%  
 The cumulative performance for the Comparative Index\* is 138.6%

Past performance shown from 31 December 2007 to 27 March 2013 is the Japan TSE Second Section Index. Past performance shown from 28 March 2013 is the Russell/Nomura Mid-Small Index.

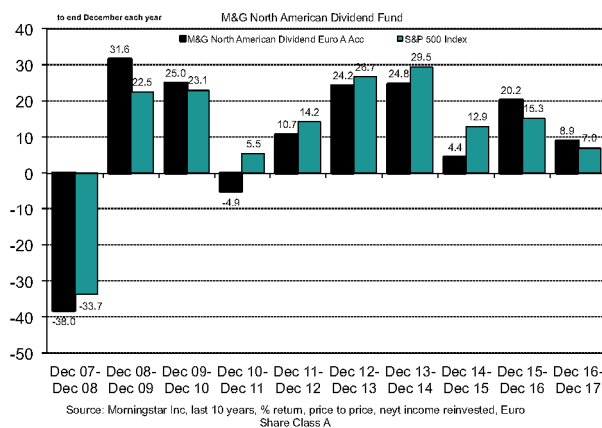
### M&G Pan European Select Fund Bar Chart



The cumulative performance over the last 10 years is 46.21%  
 The cumulative performance for the Comparative Index\* is 7.0%

Past performance shown from 31 December 2007 to 31 December 2011 is the FTSE World Europe Index. Past performance shown from 05 January 2012 is the MSCI Europe Index.

### M&G North American Dividend Fund Bar Chart\*

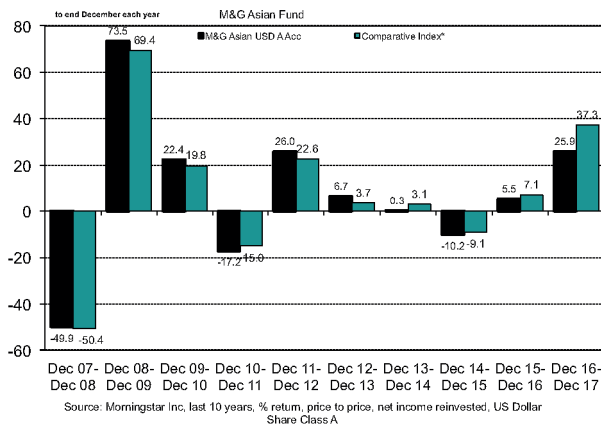


The cumulative performance over the last 10 years is 127.64%  
 The cumulative performance for the S&P 500 Index is 175.2%

# Appendix 5b –

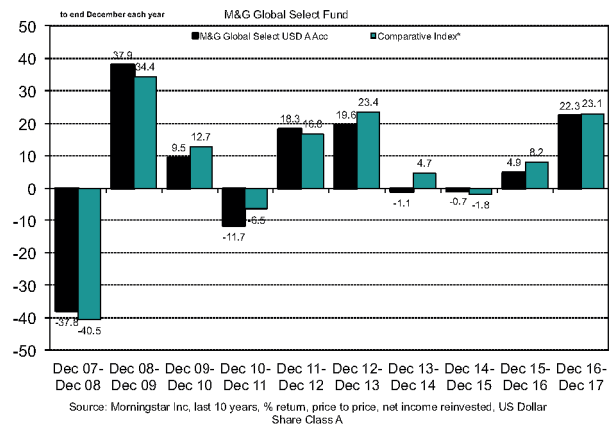
## U.S. Dollar performance bar charts

### M&G Asian Fund Bar Chart



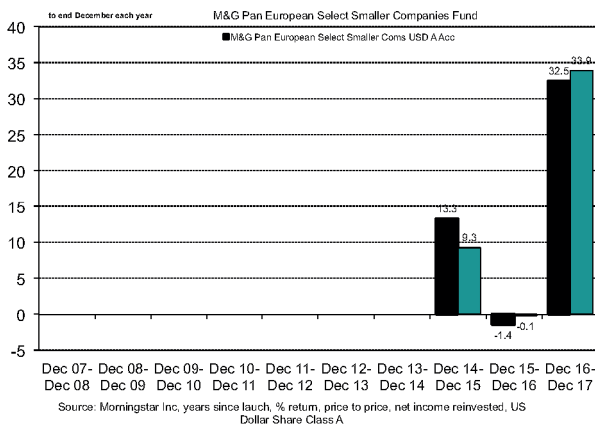
The cumulative performance over the last 10 years is 41.8 %  
 The cumulative performance for the Comparative Index\* is 49.9%  
 Past performance shown from 31 December 2007 to 30 June 2011 is the MSCI AC Far East Ex Japan Index. Past performance shown from 01 July 2011 is the MSCI AC Asia Pacific ex Japan Index.

### M&G Global Select Fund Bar Chart



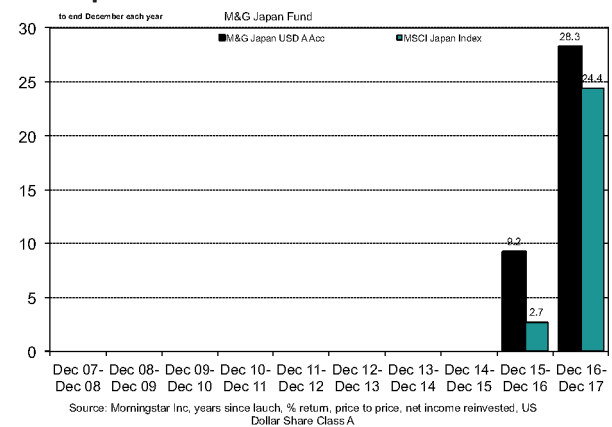
The cumulative performance over the last 10 years is 48.0 %  
 The cumulative performance for the Comparative Index\* is 66.2%  
 Past performance shown from 31 December 2007 to 29 September 2008 is the FTSE World Index Ex UK Index. Past performance shown from the 30 September 2008 to 31 December 2011 is the FTSE World Index. Past performance shown from 05 January 2012 to 31 December 2015 is the MSCI ACWI Index. Past performance shown from 05 January 2016 is the MSCI World Index.

### M&G Pan European Select Smaller Companies Fund Bar Chart



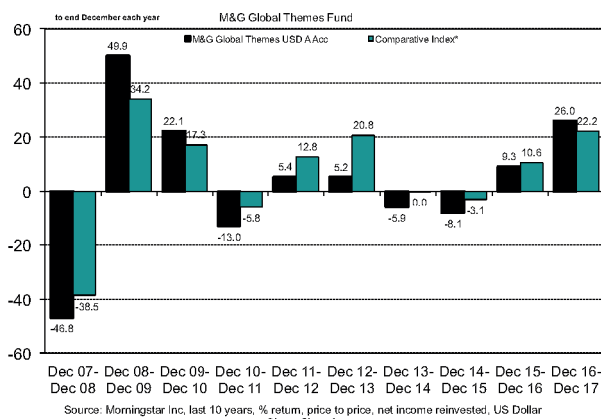
The cumulative performance since launch is 37.4 %  
 The cumulative performance for the EMIX Smaller European Companies Index is 65.6%

### M&G Japan Fund Bar Chart



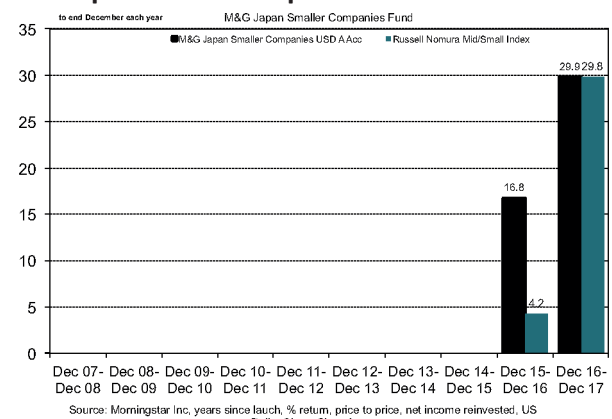
The cumulative performance since launch is 37.0 %  
 The cumulative performance for the MSCI Japan Index is 39.6%

### M&G Global Themes Fund Bar Chart



The cumulative performance over the last 10 years is 12.0%  
 The cumulative performance from the Comparative Index\* is 62.5%  
 Past performance shown from 31 December 2007 to 16 November 2017 is the FTSE Global Basics Composite Index (comprising of all subsectors of the FTSE World Index except media, IT, telecommunications, financials and healthcare). Past performance shown from 17 November 2017 is the MSCI ACWI Index.

### M&G Japan Smaller Companies Fund Bar Chart

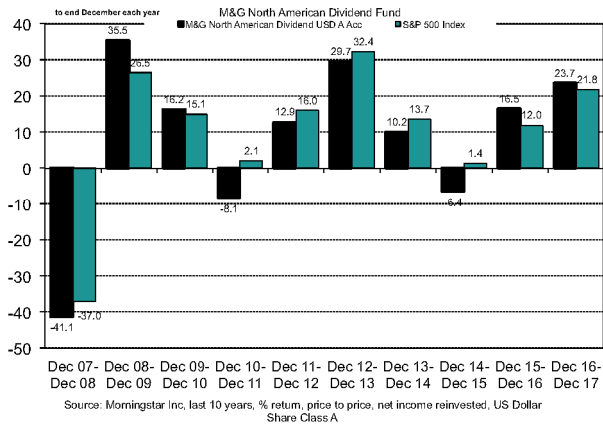


The cumulative performance since launch is 51.1%  
 The cumulative performance for the Russell Nomura Mid-Small Cap Index is 80.1%

# Appendix 5b –

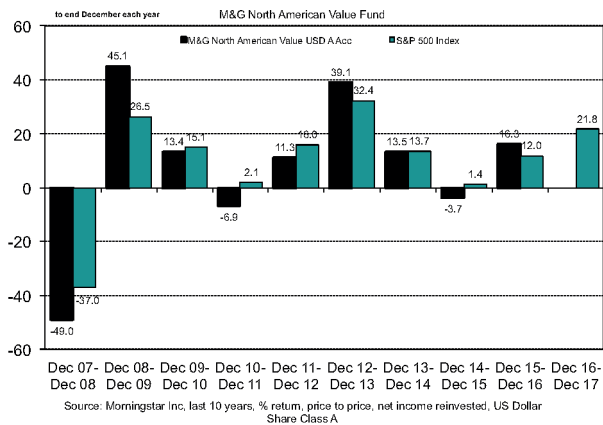
## U.S. Dollar performance bar charts

**M&G North American Dividend Fund Bar Chart\***



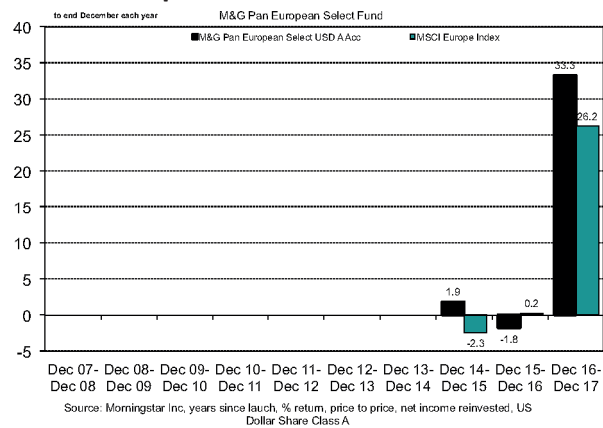
The cumulative performance over the last 10 years is 85.4 %  
 The cumulative performance for the S&P 500 Index is 126.0%

**M&G North American Value Fund Bar Chart**



The cumulative performance over the last 10 years is 81.4 %  
 The cumulative performance for the S&P 500 Index is 126.0%

**M&G Pan European Select Fund Bar Chart**



The cumulative performance since launch is 29.4 %  
 The cumulative performance for the MSCI Europe Index is 21.4%

# Appendix 6 –

## List of Custodians

<b>Albania:</b>	Raiffeisen Bank sh.a., Tirana	<b>France:</b>	Deutsche Bank AG, Amsterdam branch (operating through the Amsterdam branch with support from its Paris branch)
<b>Argentina:</b>	Citibank N.A., Buenos Aires	<b>Georgia:</b>	JSC Bank of Georgia, Tbilisi
<b>Australia:</b>	Hong Kong and Shanghai Banking Corporation Limited, Sydney	<b>Germany:</b>	1) State Street Bank International GmbH, Munich 2) Deutsche Bank AG, Eschborn
<b>Austria:</b>	1) UniCredit Bank Austria AG, Vienna 2) Deutsche Bank AG, Vienna	<b>Ghana:</b>	Standard Chartered Bank Ghana Limited, Accra
<b>Bahamas:</b>	n/a	<b>Greece:</b>	BNP Paribas Securities Services, S.C.A., Athens
<b>Bahrain:</b>	HSBC Bank Middle East, Al Seef	<b>Guernsey:</b>	n/a
<b>Bangladesh:</b>	Standard Chartered Bank, Dhaka	<b>Guinea Bissau:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan
<b>Belgium:</b>	Deutsche Bank AG, Amsterdam branch (operating through the Amsterdam branch with support from its Brussels branch)	<b>Hong Kong:</b>	Standard Chartered Bank (Hong Kong) Limited, Hong Kong
<b>Benin:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan	<b>Hungary:</b>	1) Citibank Europe plc, Hungarian Branch, Budapest 2) UniCredit Bank Hungary Zrt., Budapest
<b>Bermuda:</b>	HSBC Bank Bermuda Limited, Hamilton	<b>North America:</b>	Landsbankinn hf, Reykjavik
<b>Bosnia-Herzegovina: The Federation of Bosnia and Herzegovina:</b>	UniCredit Bank d.d., Sarajevo	<b>India:</b>	1) The Hong Kong and Shanghai Banking Corporation Limited, Mumbai 2) Deutsche Bank AG, Mumbai
<b>Botswana:</b>	Standard Chartered Bank of Botswana Limited, Gaborone	<b>Indonesia:</b>	Deutsche Bank A.G., Jakarta
<b>Brazil:</b>	Citibank N.A. São Paulo Branch, São Paulo	<b>Ireland:</b>	State Street Bank and Trust Company, Edinburgh
<b>Bulgaria:</b>	1) Citibank Europe plc, Sofia 2) UniCredit Bulbank AD, Sofia	<b>Isle of Man:</b>	n/a
<b>Burkina Faso:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan	<b>Israel:</b>	Bank Hapoalim B.M., Tel Aviv
<b>Canada:</b>	1) State Street Trust Company Canada, Toronto (Depositary transactions) 2) RBC Investor Services, Toronto (Physical transaction)	<b>Italy:</b>	1) Deutsche Bank S.p.A., Milan 2) Intesa Sanpaolo (ISP), Milan
<b>Cayman Islands:</b>	n/a	<b>Ivory Coast:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan
<b>Channel Islands:</b>	n/a	<b>Jamaica:</b>	Scotia Investments Jamaica Limited, Kingston
<b>Chile:</b>	Itaú CorpBanca S.A., Santiago de Chile	<b>Japan:</b>	1) Mizuho Bank, Ltd, Tokyo 2) The Hong Kong and Shanghai Banking Corporation, Japan branch (HSBC), Tokyo
<b>China</b>	1) China Construction Bank (A shares), Beijing A-Share Market: 2) HSBC Bank (China) Company Limited, Shanghai	<b>Jersey:</b>	n/a
<b>China</b>	HSBC Bank (China) Company Limited, Shanghai B-Share Market:	<b>Jordan:</b>	Standard Chartered Bank, Shmeissani Branch, Amman
<b>China-Shanghai</b>	1) Standard Chartered Bank (Hong Kong) Hong Kong Limited, Hong Kong Stock Connect: 2) The Hong Kong and Shanghai Banking Corporation Limited, Hong Kong 3) Citibank N.A., Hong Kong	<b>Kazakhstan:</b>	JSC Citibank Kazakhstan, Almaty
<b>Clearstream:</b>	State Street is a direct participant in Clearstream Banking Luxembourg. State Street does not use a subcustodian bank.	<b>Kenya:</b>	Standard Chartered Bank Kenya Limited, Nairobi
<b>Colombia:</b>	Cititrust Colombia S.A. Sociedad Fiduciaria, Bogota	<b>Kuwait:</b>	HSBC Bank Middle East Limited, Kuwait
<b>Costa Rica:</b>	Banco BCT S.A., San Jose	<b>Latvia:</b>	AS SEB Bankas, Riga
<b>Croatia:</b>	1) Privredna Banka Zagreb d.d., Zagreb 2) Zagrebacka banka d.d., Zagreb	<b>Lebanon:</b>	HSBC Bank Middle East Limited, Beirut
<b>Curaçao:</b>	n/a	<b>Liechtenstein:</b>	n/a
<b>Cyprus:</b>	BNP Paribas Securities Services, S.C.A., Athens (operating remotely to service the Cyprus market)	<b>Lithuania:</b>	SEB Bankas, Vilnius
<b>Czech Republic:</b>	1) Ceskoslovenská Obchodní Banka A.S., Prague 2) UniCredit Bank Czech Republic and Slovakia, a.s., Praha	<b>Luxembourg:</b>	Since State Street is a direct participant in Clearstream Banking Luxembourg, State Street does not use a subcustodian bank. Luxembourg domiciled assets may be held in either the Euroclear or Clearstream ICSDs.
<b>Denmark:</b>	1) Skandinaviska Enskilda Banken AB (SEB), Copenhagen 2) Nordea Bank Danmark A/S, Copenhagen	<b>Macedonia (Republic of Macedonia):</b>	n/a
<b>Ecuador:</b>	n/a	<b>Malawi:</b>	Standard Bank Limited, Blantyre
<b>Egypt:</b>	HSBC Bank Egypt S.A.E, Cairo	<b>Malaysia:</b>	1) Standard Chartered Bank Malaysia Berhad Menara Standard Chartered, Kuala Lumpur 2) Deutsche Bank (Malaysia) Berhad Investor Services, Kuala Lumpur
<b>Estonia:</b>	AS SEB Pank, Tallinn	<b>Mali:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan
<b>Ethiopia:</b>	n/a	<b>Malta:</b>	n/a
<b>Euroclear:</b>	Since State Street is a direct participant in Euroclear Bank, State Street does not use a subcustodian bank.	<b>Marshall Islands:</b>	n/a
<b>Finland:</b>	1) Skandinaviska Enskilda Banken AB (publ) (SEB), Helsinki 2) Nordea Bank Finland Plc, Helsinki	<b>Mauritius:</b>	Hong Kong and Shanghai Banking Corp. Limited, Ebene
		<b>Mexico:</b>	Banco Nacional de México S.A. (Banamex) Global Securities Services, Mexico City
		<b>Morocco:</b>	Citibank Maghreb, Casablanca
		<b>Mozambique:</b>	n/a
		<b>Namibia:</b>	Standard Bank Namibia Limited, Windhoek
		<b>Netherlands:</b>	Deutsche Bank AG, Amsterdam branch
		<b>New Zealand:</b>	The Hong Kong and Shanghai Banking Corp. Limited, Auckland

# Appendix 6 –

## List of Custodians

<b>Niger:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan	<b>Swaziland:</b>	Standard Bank Swaziland Limited, Mbabane
<b>Nigeria:</b>	Stanbic IBTC Bank Plc., Lagos	<b>Sweden:</b>	1) Nordea Bank AB (publ), Stockholm 2) Skandinaviska Enskilda Banken, Stockholm
<b>Norway:</b>	1) Skandinaviska Enskilda Banken, Oslo (operating through its Oslo branch) 2) Nordea Bank Norge ASA, Oslo	<b>Switzerland:</b>	1) UBS Switzerland AG, Zurich 2) Credit Suisse AG, Zurich
<b>Oman:</b>	HSBC Bank Oman S.A.O.G, Seeb	<b>Taiwan:</b>	1) Deutsche Bank AG, Taipei 2) Standard Chartered Bank (Taiwan) Limited, Taipei
<b>Pakistan:</b>	Deutsche Bank AG, Karachi	<b>Tanzania:</b>	Standard Chartered Bank Tanzania Limited, Dar es Salaam
<b>Palestine:</b>	HSBC Bank Middle East Limited, Ramallah	<b>Thailand:</b>	Standard Chartered Bank (Thai) Public Company Limited, Bangkok
<b>Panama:</b>	Citibank, N.A., Panama City	<b>Togo:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan
<b>Peru:</b>	Citibank del Perú S.A., Lima	<b>Transnational:</b>	n/a
<b>Philippines:</b>	Deutsche Bank AG, Investor Services, Makati City	<b>Trinidad &amp; Tobago:</b>	n/a
<b>Poland:</b>	1) Bank Handlowy w Warszawie S.A., Warsaw 2) Bank Polska Kasa Opieki S.A., Warsaw	<b>Tunisia:</b>	Banque Internationale Arabe de Tunisie (BIAT), Tunis
<b>Portugal:</b>	Deutsche Bank AG, Amsterdam branch (operating through the Amsterdam branch with support from its Lisbon branch)	<b>Turkey:</b>	1) Citibank A.S., Istanbul 2) Deutsche Bank A.S., Istanbul
<b>Puerto Rico:</b>	Citibank, N.A. Puerto Rico, San Juan	<b>Uganda:</b>	Standard Chartered Bank Uganda Limited, Kampala
<b>Qatar:</b>	HSBC Bank Middle East Limited, Doha	<b>Ukraine:</b>	PJSC Citibank, Kyiv
<b>Republic of Srpska:</b>	UniCredit Bank d.d, Sarajevo	<b>United Arab Emirates Abu Dhabi Securities Exchange-ADX:</b>	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
<b>Romania:</b>	Citibank Europe plc, Dublin – Romania Branch, Bucharest	<b>United Arab Emirates -DFM:</b>	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
<b>Russia:</b>	AO Citibank, Moscow	<b>United Arab Emirates -NASDAQ :</b>	HSBC Bank Middle East Limited Global Banking and Markets, Dubai
<b>Rwanda:</b>	n/a	<b>United Kingdom:</b>	State Street Bank and Trust Company, Edinburgh
<b>Saudi Arabia:</b>	HSBC Saudi Arabia, Riyadh	<b>United States:</b>	1) State Street Bank and Trust Company, Boston 2) DTCC Newport Office Center, Jersey City
<b>Senegal:</b>	Standard Chartered Bank Côte d'Ivoire, Abidjan	<b>Uruguay:</b>	Banco Itau Uruguay S.A., Montevideo
<b>Serbia:</b>	Unicredit Bank Serbia JSC Belgrade	<b>Venezuela:</b>	Citibank N.A., Caracas
<b>Singapore:</b>	1) Citibank N.A., Singapore 2) United Overseas Bank Limited (UOB), Singapore	<b>Vietnam:</b>	Hong Kong & Shanghai Banking Corp. Ltd. Centre Point, Ho Chi Minh City
<b>Slovak Republic:</b>	UniCredit Bank Czech Republic and Slovakia, a.s., Bratislava	<b>WAEMU (West African Economic and Monetary Union):</b>	n/a
<b>Slovakia:</b>	n/a	<b>Zambia:</b>	Standard Chartered Bank Zambia Plc, Lusaka
<b>Slovenia:</b>	UniCredit Banka Slovenija d.d., Ljubljana	<b>Zimbabwe:</b>	Stanbic Bank Zimbabwe Limited, Harare
<b>South Africa:</b>	1) Standard Bank of South Africa Limited, Johannesburg 2) FirstRand Bank Limited, Johannesburg		
<b>South Korea:</b>	1) Deutsche Bank AG, Seoul 2) Hong Kong and Shanghai Banking Corp. Limited, Seoul		
<b>Spain:</b>	Deutsche Bank SAE Investor Services, Madrid		
<b>Sri Lanka:</b>	The Hong Kong and Shanghai Banking Corporation Limited, Colombo		

# Directory

## M&G Investment Funds (1)

### The Company and Head Office:

M&G Investment Funds (1)  
Laurence Pountney Hill  
London EC4R 0HH

### Authorised Corporate Director:

M&G Securities Limited  
Laurence Pountney Hill  
London EC4R 0HH

### Investment Managers:

M&G Investment Management Limited  
Laurence Pountney Hill  
London EC4R 0HH

### Administrator for the M&G Securities International Nominee Service:

RBC Investor Services Bank S.A.  
14 Porte de France,  
L-4360 Esch-sur-Alzette,  
Luxembourg

### Custodian:

State Street Bank and Trust Company  
20 Churchill Place  
Canary Wharf  
London  
E14 5HJ

### Depository:

NatWest Trustee and Depository Services Limited  
Drummond House  
1 Redheughs Avenue  
Edinburgh  
EH12 9RH

### Registrar:

DST Financial Services Europe Limited  
PO Box 9039  
Chelmsford  
CM99 2XG

### Auditor:

Ernst & Young LLP  
Atria One,  
144 Morrison Street,  
Edinburgh EH3 8EX,  
United Kingdom



